

City Clerk File No. Ord. 14.143

Agenda No. 3.A 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE

offered and moved adoption of the following ordinance:

CITY ORDINANCE **14.143**

TITLE:

ORDINANCE SUPPLEMENTING CHAPTER A351 (EXECUTIVE ORDERS AND ORDINANCES) OF THE JERSEY CITY CODE TO CREATE A NEW CLASSIFIED POSITION FOR WIC PEER COUNSELOR

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

A. The following supplements to Chapter A351 (Executive Orders and Ordinances) of the Jersey City Code are adopted:

Labor Grade

Title

*

WIC Peer Counselor

B. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.

C. This ordinance shall be a part of the Jersey City Code as though codified and fully set forth therein. The City shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.

D. This ordinance shall take effect at the time and in the manner as provided by law.

E. The City Clerk and the Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All new material is underlined; words in [brackets] are omitted.
For purposes of advertising only, new matter is indicated by **boldface** and repealed matter by *italic*.

**Pursuant to N.J.S.A. 40:69A-43a.*

JF/he
10/20/14

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐

Not Required ☐

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

WIC Peer Counselor

Initiator

Department/Division	Human Resources	Workforce Management
Name/Title	Nancy Ramos	Human Resources Director
Phone/email	(201) 547-5224.	nancyr@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

To establish a New Title for Alexies Morales and Jessica Greenwald in accordance with New Jersey Department of Civil Services Commission Rules and Regulations

I certify that all the facts presented herein are accurate.

Nancy Ramos
Signature of Department Director

10/16/14
Date

New Title

Title: WIC Peer Counselor

Department: Health & Human Services

Division: WIC Program

Labor Grade: 6

Min. \$9,350

Max. \$40,227

Union: Local 246

Alexies Morales
41 E. 25th St. Apt. 146
Bayonne, NJ 07002

Jessica Greenwald
5308 Hudson Ave. Apt. 2
West New York, NJ 07093

Salary: \$35,000

\$30,000



STEVEN M. FULOP
MAYOR OF JERSEY CITY

CITY OF JERSEY CITY
OFFICE OF THE MAYOR

CITY HALL | 280 GROVE STREET | JERSEY CITY, NJ 07302
P: 201 547 5500 | F: 201 547 5442



STEVEN M. FULOP
MAYOR OF JERSEY CITY

E.O. _____

_____, 2014

EXECUTIVE ORDER OF THE MAYOR
OF THE
CITY OF JERSEY CITY

CLASSIFIED POSITIONS FOR CITY EMPLOYEES

Pursuant to the Faulkner Act, N.J.S.A. 40:69A-48, as amended by L.1985, c.374, the Mayor is now authorized to set the salaries, wages or other compensation of all employees of administrative departments except department directors and employees whose salaries are required to be set by ordinance.

Pursuant to this authorization, I issue the following Executive Order establishing guidelines for salaries and wages of those employees whose salaries are set by the Mayor:

Labor Grade

Title

6

WIC Peer Counselor

This order shall take effect immediately.

Very truly yours,

STEVEN M. FULOP, MAYOR

SMF/he

cc: Robert J. Kakoleski, Business Administrator
Jeremy Farrell, Corporation Counsel
Robert Byrne, City Clerk
Donna Mauer, Chief Financial Officer
Nancy Ramos, Personnel Director

City Clerk File No. Ord. 14.144
Agenda No. 3.B 1st Reading
Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.144

TITLE:

ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY REMOVING LOTS FROM THE DANFORTH TRANSIT VILLAGE REDEVELOPMENT PLAN AND ADOPTING THE CHAPEL AVENUE INDUSTRIAL PARK REDEVELOPMENT PLAN

WHEREAS, the Municipal Council of the City of Jersey City, adopted the Danforth Transit Village Redevelopment Plan at its meeting of October 7, 2008; and

WHEREAS, the Danforth Transit Village Redevelopment Plan only provides for residential redevelopment and there is currently need for expansion of industrial space; and

WHEREAS, the Municipal Council seeks to provide for needed industrial expansion by removing the parcels of land within the boundaries of the Chapel Avenue Industrial Park Redevelopment Plan from the Danforth Transit Village Redevelopment Plan; and

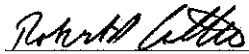
WHEREAS, the following amendments to the Danforth Transit Village Redevelopment Plan and the proposed Chapel Avenue Industrial Park Redevelopment Plan have both been reviewed by the Jersey City Planning Board at its meeting of October 21, 2014; and

WHEREAS, the Planning Board voted to favorably recommend adoption of the amendment to the Danforth Transit Village Redevelopment Plan and the adoption of the Chapel Avenue Industrial Park Redevelopment Plan by the Municipal Council; and

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that the recommended amendment to the Danforth Transit Village Redevelopment Plan and the recommended Chapel Avenue Industrial Park Redevelopment Plan be, and hereby are, adopted.

BE IT FURTHER ORDAINED THAT:

- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- B. This ordinance shall be a part of the Jersey City Code as though codified and set forth fully herein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- C. This ordinance shall take effect at the time and in the manner as provided by law.
- D. The City Clerk and the Corporation Council be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible repealers of existing provisions.
- E. The City Planning Division is hereby directed to give notice at least ten days prior to the hearing on the adoption of this Ordinance to the Hudson County Planning board and to all other persons entitled thereto pursuant to N.J.S. 40:55D-15 and N.J.S. 40:55D-63 (if required). Upon the adoption of this Ordinance after public hearing thereon, the City Clerk is hereby directed to publish notice of the passage thereof and to file a copy of the Ordinance as finally adopted with the Hudson County Planning Board as required by N.J.S. 40:55D-16. The clerk shall also forthwith transmit a copy of this Ordinance after final passage to the Municipal Tax Assessor as required by N.J.S. 40:49-2.1.

 Robert D. Cotter, PP, FAICP, Director of Planning

APPROVED AS TO LEGAL FORM

APPROVED: 

Corporation Counsel

APPROVED: _____

Business Administrator

Certification Required ☐

Not Required ☐

ORDINANCE/RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution/ordinance that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution/ordinance.

Full Title of Ordinance/Resolution**ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY
REMOVING LOTS FROM THE DANFORTH TRANSIT VILLAGE REDEVELOPMENT
PLAN AND ADOPTING THE CHAPEL AVENUE INDUSTRIAL PARK
REDEVELOPMENT PLAN****Initiator**

Department/Division	HEDC	City Planning
Name/Title	Robert Cotter, PP, AICP	Director
	Jeff Wenger, AICP	Principal Planner
Phone/email	201-547-5010	bobbyc@jcnj.org / jeff@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Purpose

This ordinance amends the Danforth Transit Village Redevelopment Plan by removing tax lots 41 and 42 on Block 27401 (both owned by Greenberg Properties) as well as portions of lot 1 and 45 (both owned by Conrail) on the same block. The remainder of the Danforth Transit Village Redevelopment Plan remains as is. The properties removed shall constitute the boundaries of a new Chapel Avenue Industrial Park Redevelopment Plan, which will allow existing industrial land uses to expand.

I certify that all the facts presented herein are accurate.


Signature of Department Director

Date

SUMMARY STATEMENT

ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY REMOVING LOTS FROM THE DANFORTH TRANSIT VILLAGE REDEVELOPMENT PLAN AND ADOPTING THE CHAPEL AVENUE INDUSTRIAL PARK REDEVELOPMENT PLAN

This ordinance amends the Danforth Transit Village Redevelopment Plan by removing tax lots 41 and 42 on Block 27401 (both owned by Greenberg Properties) as well as portions of lot 1 and 45 (both owned by Conrail) on the same block. The remainder of the Danforth Transit Village Redevelopment Plan remains as is. The properties removed shall constitute the boundaries of a new Chapel Avenue Industrial Park Redevelopment Plan, which will allow existing industrial land uses to expand.

Chapel Avenue Industrial Park Redevelopment Plan

City of Jersey City

**As Presented to the
Jersey City Planning Board
October 21, 2014**

Ver. 2014-10-09

TABLE OF CONTENTS

INTRODUCTION	1
I. BOUNDARY DESCRIPTION	5
II. REDEVELOPMENT OBJECTIVES	5
III. BUILDING DESIGN	6
IV. OFF-STREET PARKING & LOADING DESIGN	6
V. LANDSCAPE & SITE DESIGN	7
VI. CIRCULATION	7
VII. INTERIM USES	9
VIII. GENERAL PROVISIONS	9
IX. LAND USE REQUIREMENTS	10
X. OTHER PROVISIONS NECESSARY TO MEET STATE AND LOCAL REQUIREMENTS	12
XI. PROCEDURES FOR AMENDING THE PLAN	14
MAPS	15
▪ Map # 1 - BOUNDARY MAP	

INTRODUCTION

This Redevelopment Plan, the Chapel Avenue Industrial Park Redevelopment Plan, will regulate the development of the properties known as Lots 41 and 42 on Block 27401; and those portions of the Light Rail right-of-way (Lot 1) and the Conrail right-of-way (Lot 45) that are adjacent to the subject properties. (See Boundary Map)

The subject properties are located in the southeastern portion of Jersey City, situated south of Chapel Avenue, and east of the Light Rail/Conrail roadbed. The New Jersey Turnpike Hudson County Extension right-of-way is located just to the east of the subject properties. The properties were part of a Redevelopment Area that was initially studied with other nearby properties (Lots 37, 38, 39, 40 and 43) as a possible Area in Need of Redevelopment in the summer of 2008. On June 25, 2008, the City Council of the City of Jersey City authorized the Planning Board to conduct a preliminary investigation of the Area including the subject properties to determine if the Area qualified as an Area in Need of Redevelopment. The Planning Board held a Public Hearing and did determine that the Area met the appropriate criteria. The Planning Board, by resolution, then recommended to the City Council that the Area be designated as a Redevelopment Area. The Jersey City Municipal Council did so designate the study area as an Area in Need of Redevelopment.

The Area was referred to as the Danforth Avenue Transit Village Study Area. A Redevelopment Plan, titled the Danforth Avenue Transit Village Redevelopment Plan was reviewed and recommended to the Municipal Council by the Jersey City Planning Board at its meeting of August 5th, 2008; and adopted by the Jersey City Municipal Council by Ordinance number 08-142 on September 10, 2008.

The Danforth Avenue Transit Village Redevelopment Plan was envisioned as a residential redevelopment plan. However, this plan has not yet been implemented as a residential district. The proposed residential concept did not follow the existing lot configuration or ownership pattern. The lots were, and still are, configured for the uses that have historically existed in this area; primarily industrial and railroad related uses. This configuration of the land does not lend itself to a residential reuse. A residential redevelopment would require the consolidation of all lots and their re-subdivision. This is a cumbersome process and would require the cooperation of all property owners. The City of Jersey City has no intention of using eminent domain to acquire and assemble the property within this redevelopment area.

Currently, Lot 42 in Block 27401 is developed with an existing industrial structure which is currently occupied and in use. Adjacent Lot 41 is in the same ownership and is proposed for redevelopment as an industrial use. The City does not have any desire to eliminate the industrial land uses that wish to remain and the jobs they create from this area of the City. Therefore, this Redevelopment Plan, the Chapel Avenue Industrial Park Redevelopment Plan, will replace the Danforth Transit Village Redevelopment Plan relative to the use of Block 27401, Lots 41 and 42 only. Those portions of Lot 1 (the Light Rail right-of-way) and Lot 45 (the Conrail right-of-way) within the boundary of the Chapel Avenue Industrial Park Redevelopment Plan will remain as rights-of-way. All other properties within the Danforth Avenue Transit Village Redevelopment Plan will continue to be regulated by that redevelopment plan.

Historically, this eastern portion of the Greenville section of Jersey City has existed as an area of railroad yards, warehouses and other industrial uses. These industrial uses continue to exist today with some newer expansion of warehousing and distribution facilities as evidenced by the industrial activity within the Greenville Industrial Park area, the new Tropicana facility, and the expansion of the Port Jersey complex by the Port Authority of New York and New Jersey.

The Area developed as an industrial area because it is on the eastern edge of the Greenville section of Jersey City isolated from the residential neighborhoods to the west by active railroad lines and had good rail transportation access. Railroad lines with industrial spurs and sidings served the industrial land uses in the area. Even before the railroad lines, the Morris Canal traversed the area. These industrial uses contributed significantly to the economic vitality of the City, providing jobs and tax ratables through the early part of the 20th Century.

During the middle of the 20th Century, industrial uses within the surrounding area began to decline. This decline was due to the shift in the U.S. economy from mainly an industrial base to a service sector economy. Additionally, the decline of railroads as a primary mover of freight coupled with containerization and the creation of newer, larger physical warehouse spaces more adapted to the truck and computerized inventory environment made older, smaller sized industrial warehouses less desirable in the marketplace.

More recently, there has been renewed interest by the City of Jersey City in preserving land for industrial development as the amount industrially zoned has dwindled. Over the last several decades the amount of industrially zoned land in Jersey City has been dramatically reduced. Literally, thousands of former industrially zoned land has been given over to other uses in this time period, especially along the eastern edge of the City. The designation of Block 27401, Lots 41 and 42 for industrial redevelopment provides the City with an opportunity to increase the amount of industrially zoned land in the City and provide new job opportunities in the industrial sector.

The northern waterfront of Jersey City stretching from the Hoboken border to Sixth Street, and representing some 400 acres was once zoned I-2 Heavy Industrial. Today it is known as Newport and is a large mixed use development consisting of office buildings, residential apartments and condominiums, a shopping mall, restaurants and parks. Directly west of Newport, extending from the Hoboken border to Tenth Street is another former primarily industrial area now being redeveloped as a mixed use primarily residential neighborhood. Just south of Newport and extending from Sixth Street to Second Street is the Harsimus Cove Redevelopment Area. This area of approximately 200 acres was once an active railroad yard and industrial area, but is now in the midst of redevelopment as a residential and commercial mixed use district.

Continuing south across Second Street is the "Warehouse District" of Jersey City. These older industrial buildings were previously serviced by the now defunct railroad yard to the north. The "Warehouse District" was a bustling center of commercial activity with rail service running between the buildings in the surrounding street network. Today, these buildings are being converted to loft residential uses and the vacant land is being developed with residential

apartment buildings. Just east and south of the "Warehouse District" is the former Harborside Warehouse Complex which stretched from Second Street to nearly Exchange Place. This complex was able to receive goods from railroad lines that led into the building from the west and then distribute them locally by barge, railroad and truck. Today, the large former industrial building along the river is an office complex known as the Harborside Financial Center. The railroad yards to the west have disappeared and have been replaced by high rise office buildings and residential towers.

Just south of Exchange Place, the former Colgate factory was a bustling industrial complex of factories and warehouses. The Colgate complex covered over 10 square blocks in the Paulus Hook section of Jersey City and employed thousands of workers. The Colgate area is now a mixed use area of high rise office buildings and residential towers with restaurants and retail stores along re-opened streets leading to the Hudson River Waterfront Walkway. South of the Colgate complex lies Liberty State Park. This large park and wonderfully extensive open space overlooking the Statue of Liberty and Ellis Island replaced over 800 acres of former railroad and industrially zoned land. Several hundred additional acres of industrially zoned land along the northern and northwestern edges of the park are also now in the midst of redevelopment as new primarily residential neighborhoods. The new Jersey City Medical Center also occupies parts of this area as does the Liberty Science Center.

There is a small industrial park at the southern end of Liberty State Park, but continuing south into the Caven Point area, hundreds of acres of former industrially zoned land is now developed with the Liberty Golf Course and the Port Liberte residential development.

The last remaining industrial area along the Jersey City waterfront lies just south of Port Liberte and consists of the Greenville Yards Industrial Park and Port Jersey on the Bayonne border. The subject redevelopment area is adjacent to this industrial area along its northwestern edge.

Realizing the dramatic loss in land available for industrial development that has occurred over this time frame, the City of Jersey City now sees the need to preserve and redevelop Lots 41 and 42 as an industrial area in order to provide needed jobs in the industrial sector and create a more balanced economy relative to the growing office, commercial, retail and residential sectors.

The Jersey City Master Plan dated May 2000 designated the subject properties with a Destination Tourism classification. The Destination Tourism zoning was designated for a much larger area encompassing the Jersey City waterfront from the Caven Point Area on the South to the Morris Canal Basin on the North. Currently the Destination Tourism Area has been redeveloped to include Liberty State Park, Liberty Science Center, Liberty Golf Course and includes ferry service between the Jersey City waterfront and Liberty Island, Ellis Island and points in Manhattan; leaving only this fragment of the area so designated. In fact, this area by itself is unsuitable for a Destination Tourism designation because:

- It is not physically linked to any tourism sites. The area is physically and visually isolated from other areas by the New Jersey Turnpike as well as rail freight lines.

- The real tourism sites of Ellis Island, Liberty State Park and Statue of Liberty are geographically away and apart from this isolated section of Jersey City.
- Although there is a light rail station within the Study Area, this light rail stop is located remote from the major destination attractions of Liberty State Park, Liberty Science Center, Ellis Island and Liberty Island. Visitors to the area from New York City or elsewhere would utilize one or more closer light rail stations including one station located adjacent to Liberty State Park itself. The Study Area is also remote from ferry service which provides direct access to New York City when visiting Jersey City.

Further, given the dramatic loss of industrially zoned properties, the City of Jersey City no longer believes that the entire Redevelopment Area should be designated for residential uses, but rather that Lots 41 and 42 should revert to an industrial area as they were previously zoned. In the period prior to the current Jersey City Land Development Ordinance, the subject properties were zoned I-2 Intensive Industrial by the Jersey City Zoning Ordinance for the period from 1974 to 2001. Even prior to 1974, the subject area was designated as an industrial zone in a zoning ordinance adopted by Jersey City in 1963 and prior to that date as well, dating as far back as the 1930's.

As previously mentioned, the subject properties are remote from other residential areas of the Greenville section of Jersey City. A small portion of Lot 42 is in proximity of several residential lots along Princeton Avenue. However, even in this location, the Light Rail right-of-way and the Conrail right-of-way intervene between Lot 42 and the residential lots. Most of the western edge of the Redevelopment Area adjoins a cemetery on the opposite side of the railroad and light rail uses. To the south and south east of the subject properties is a Port Industrial zone and the Greenville Industrial Redevelopment Plan.

At this time, it is now felt that an industrial redevelopment of the subject properties would now be the most appropriate use of the properties. The properties are not suitable for residential development and further, the Area is not suitable as a "Destination Tourism" area as had been suggested by the Jersey City Master Plan of May, 2000.

This Redevelopment Plan, the Chapel Avenue Industrial Park Redevelopment Plan, will replace and supercede the Danforth Avenue Transit Village Redevelopment Plan for the subject properties only, i.e. Lots 41 and 42 on Block 27401; and those portions of the Light Rail right-of-way (Lot 1) and the Conrail right-of-way (Lot 45) that are adjacent to the subject properties. Lots 37, 38, 39, 40, 43 and those portions of Lots 1 and 45 not covered by the Chapel Avenue Industrial Park Redevelopment Plan will continue to be contained within and regulated by the Danforth Avenue Transit Village Redevelopment Plan.

I. BOUNDARY DESCRIPTION

The Study Area consists of two Tax Lots found on Tax Block 27401, and a portion of two additional Tax Lots. (See Boundary Map)

The Lot numbers of the lots to be included in the Redevelopment Area are:

Lot 1 - **Partial**(formerly Block 1507, Lot C)
Owner - Consolidated Rail Corp. (NJT-ROW)

Lot 41 (formerly Block 1505, Lot Z.1)
Owner – Greenberg Prop., LLC

Lot 42 (formerly Block 1505, Lot Z.2)
Owner – Greenberg Prop., LLC

Lot 45 – **Partial** (formerly Block 1505, Lot D)
Owner - Consolidated Rail Corp.

II. REDEVELOPMENT OBJECTIVES

Redevelopment activities in the Redevelopment Area will be undertaken in conformity with and will be designed to meet the following goals and objectives.

- A. To redevelop the Redevelopment Area through the elimination of blighting influences, the remediation of environmental contamination consistent with New Jersey Department of Environment Protection standards and requirements and by providing opportunities for new industrial development.
- B. To provide for coordination of redevelopment activities to promote a uniform attack on blight and reinforce already existing renewal and improvement programs.
- C. To provide additional revenue to the City of Jersey City through the private development of vacant lands which are currently contributing limited revenue to the City.
- D. To provide land necessary to accommodate the need for industrial space in the City of Jersey City.
- E. To create skilled and semiskilled jobs accessible to residents of Jersey City by public transportation.
- F. To provide a vehicular circulation system that will allow for efficient movement for vehicles to and from, as well as within the site.

- G. To provide, where necessary, site improvements including sidewalks, access easements, off-street parking, open space, and landscaped areas.
- H. To encourage public transportation access to the area.

III. BUILDING DESIGN REQUIREMENTS

- A. All buildings in the Redevelopment Area must be located with proper consideration of their relationship to other buildings in terms of light, air, useable open space, access to public and private rights of way, off-street parking, height and bulk.
- B. Groups of related buildings shall be designed to present a harmonious appearance in terms of architectural style and exterior materials.
- C. Buildings shall be designed to be attractive from all vantage points.
- D. Groups of buildings shall be designed and located to provide for proper circulation and loading systems.
- E. All structures shall provide aesthetic consideration of their visibility from the nearby New Jersey Turnpike and the surrounding area.
- F. All rooftop mechanical systems shall be adequately screened.

IV. OFF-STREET PARKING AND LOADING DESIGN REQUIREMENTS

- A. Parking and loading areas shall be screened from view from public rights-of-way and adjacent residential areas.
- B. Off-street parking and loading areas shall be coordinated with the public street system serving the project area in order to avoid conflicts with through traffic or obstruction to pedestrian walks and thoroughfares.
- C. Poured in place concrete curbing or a substitute deemed acceptable by the Planning Board must surround all parking facilities and wherever the Planning Board deems necessary to prevent vehicles from encroaching on landscaped areas;
- D. All required parking and loading areas shall be provided off-street. All such parking and loading areas shall be graded, paved, adequately drained and all access points shall be defined and limited in accordance with the Land Development Ordinance of the City of Jersey City.
- E. All parking and loading areas shall be adequately illuminated.

V. LANDSCAPE & SITE DESIGN REQUIREMENTS

- A. All open space, including required setbacks and yards, shall be landscaped with a combination of lawns, shade trees, evergreen and flowering trees shrubs, ground covers and other appropriate plant materials unless said open space is specifically designated for other activities which require paving or other treatment. Where required, screen planting shall be a minimum of four (4) feet in height. At initial planting the screening materials shall provide a screen from the top of the plant to within six inches of grade. All plant materials shall be planted, balled and burlapped and of specimen quality as established by the American Association of Nurserymen. All deciduous trees shall have a minimum of two and one half (2.5) inches caliper. All plants, trees and shrubs shall be installed in accordance with a planting schedule provided as part of Site Plan Application and Approval.
- B. All parking lots shall be landscaped with a combination of deciduous shade trees, evergreen and flowering trees, shrubs and ground covers for both decorative and screening purposes as appropriate, consistent with the requirements of the Jersey City Land Development Ordinance.
- C. All landscaped areas and open space must be properly maintained and are subject to the regulations of the Performance Standards Section of the Jersey City Land Development Ordinance.
- D. All fencing along public street rights-of-way must be of a decorative style as approved by the Jersey City Planning Board.
- E. The use of razor wire, barbed wire or other similar material is expressly prohibited within the Redevelopment Area.
- F. All utility distribution lines and utility service connections from such lines to the project area's individual uses shall be located underground where feasible.
- G. All site plans must indicate the method and location of trash disposal. All such areas must be adequately screened and are subject to Planning Board approval.

VI. CIRCULATION FACTORS AND REQUIRED IMPROVEMENTS

- A. Roadway Access - The Redevelopment Area has excellent roadway access to the regional highway network. The New Jersey Turnpike Extension (Interstate - 78) is the eastern border of the Redevelopment Area. This regional highway can be accessed from the Redevelopment Area via either interchange 14A to the south or interchange 14B to the north. There is an existing 24 foot wide cross-easement over both lots 41 and 42 which provides access for both lots to Chapel Avenue.

Chapel Avenue intersects with Caven Point Road just to the east of the elevated New Jersey Turnpike right-of-way. Vehicles traveling along Chapel Avenue pass under the New Jersey Turnpike overpass to intersect with Caven Point Road. Trucks and other vehicles intersecting with Caven Point Road can turn to the north and proceed along Caven Point Road to the Bay View Avenue Extension, where they can turn west and access the New Jersey Turnpike at interchange 14B. From here they can proceed north on the Turnpike to the Holland Tunnel or other points in eastern Hudson County to the north. Vehicles can also proceed to the south on the New Jersey Turnpike.

Trucks and other vehicles travelling on Chapel Avenue can also turn to the south along Caven Point Road to Linden Avenue East. Linden Avenue East connects directly with Route 185, which provides access to Route 440 both to the north and south. North Route 440 provides access to the western side of Jersey City, connects with Routes 1&9, and allows access to western Hudson County, the City of Newark and beyond. South Route 440 provides access to Bayonne, Staten Island and beyond. Interchange 14A is located at the convergence of Routes 185 and 440 and provides additional access to the New Jersey Turnpike in both north and south directions.

In order to provide safe and efficient access to Chapel Avenue, the existing 24 foot wide cross-easement over lots 41 and 42 shall be improved to better accommodate vehicular and pedestrian traffic. The easement shall be properly paved, curbed and lighted to provide a safe means of access to the subject properties. A 6 foot wide pedestrian sidewalk shall be provided along the west side of the easement on each of the subject properties, and may be located outside of the existing easement, to provide a continuous and safe pedestrian to each of the subject properties. These improvements shall be subject to site plan review and approval by the Planning Board and shall be implemented contemporaneously with the redevelopment of each individual lot, i.e. lots 41 and 42.

- B. Chapel Avenue also connects into residential portions of Jersey City to the west. Jersey City has an excellent bus network which provides an important transportation alternative for residents without automobiles. The Danforth Avenue Light Rail station is also located just to the west of the Redevelopment Area. Sidewalks must be provided along both Chapel Avenue in order to facilitate safe and convenient pedestrian access to the Redevelopment Area from these public transportation options. Street trees shall be provided at 30 foot on-center intervals wherever feasible along these sidewalks.
- C. At the Planning Board's discretion final roadway, sidewalk, and/or other site improvement construction may be delayed until individual development occurs rather than be in place during initial site preparation to minimize damage from construction vehicles. However, under no circumstance shall a final certificate of occupancy be granted without the roadway, sidewalk, and/or other site improvements in place unless a performance guarantee is provided by the developer.
- D. No building, roadway or other improvement shall be constructed over a public easement in the project area without prior written approval of the Municipal Council of the City of Jersey City.

VII. INTERIM USES

Interim uses may be established, subject to agreement between the developers and the Planning Board that such uses will not have an adverse effect upon existing or contemplated development during the interim use period. This shall include such signage necessary for project identification. All interim uses will be subject to site plan review by the Jersey City Planning Board. Approvals shall be granted for no more than three (3) years, although such grants may be extended from time to time.

VIII. GENERAL PROVISIONS

- A. Site Plan review shall be conducted by the Jersey City Planning Board pursuant to NJSA 40:55D-1 et. seq. Site plan review shall consist of preliminary site plan application and final site plan application. Applications may be submitted for the entire project or in any number of phases. Preliminary site plan approval for any phase shall entitle an applicant to building permits. Final site plan approval for any phase shall not be granted unless or until that phase is substantially completed, or performance guarantees for site improvements for that phase have been furnished by the redeveloper in accordance with NJSA 40:55D-53. No Certificate of Occupancy of any type shall be issued for any construction until the Planning Board of Jersey City has given final site plan approval for the phase in which such construction is located. As part of any final plan approval, the Jersey City Planning Board may require a developer to furnish performance guarantees shall be in favor of the City of Jersey City in a form approved by either the Corporation Counsel of the City of Jersey City. The amount of any such performance guarantees shall be determined by the City Engineer and shall be sufficient to assure completion of site improvements within one (1) year of final site plan approval.
- B. Any subdivision of lots and parcels of land within the Redevelopment Area shall be in accordance with the requirements of this Plan and the Land Subdivision Ordinance of the City of Jersey City.
- C. The provisions of this plan specifying the redevelopment of the project area and the requirements and restrictions with respect thereto shall be in effect for a period of forty (40) years from the date of approval of this plan by the Jersey City Council.
- D. The Planning Board may grant deviations from the regulations contained within this Redevelopment Plan, where, by reason of exceptional narrowness, shallowness or shape of a specific piece of property, or by reason of exceptional topographic conditions, pre-existing structures or physical features uniquely affecting a specific piece of property, the strict application of any area, yard, bulk or design objective or regulation adopted pursuant to this Redevelopment Plan, would result in peculiar and exceptional practical difficulties to, or exceptional and undue hardship upon, the developer of such property.

The Planning Board may also grant a deviation from the regulations contained within this

Redevelopment Plan related to a specific piece of property where the purposes of this Redevelopment Plan would be advanced by such deviation from the strict application of the requirements of this Plan; and the benefits of granting the deviation would outweigh any detriments.

The Planning Board may grant exceptions or waivers from design standards, from the requirements for site plan or subdivision approval as may be reasonable and within the general purpose and intent of the provisions for site plan review and/or subdivision approval within this Plan, if the literal enforcement of one or more provisions of the plan is impracticable or would exact undue hardship because of peculiar conditions pertaining to the site. No deviations may be granted under the terms of this section unless such deviations can be granted without resulting in substantial detriment to the public good and will not substantially impair the intent and purpose of the Redevelopment Plan.

No deviations may be granted which will result in permitting or expanding a use that is not a permitted use within this Redevelopment Plan, an increase in the maximum height of greater than ten (10%) percent and not more than 10 feet, or an increase in the permitted density or floor area ratio of that permitted within this Redevelopment Plan. An application requesting a deviation from the requirements of this Redevelopment Plan shall provide public notice of such application in accordance with the public notice requirements set forth in NJSA 40:55D-12.a & b.

- E. If any word, phrase, clause, section or provision of this Plan shall be found by a court of competent jurisdiction to be invalid, illegal or unconstitutional, such word, phrase, clause, section or provision shall be deemed severable and the remainder of the ordinance shall remain in full force and effect.

IX. LAND USE REQUIREMENTS

A. Permitted Principal Uses

1. Industrial - Manufacturing, Fabrication, Assembly and/or Processing where the activity involved is one of the fabricating or the assembling of standardized parts as contrasted to a processing activity which would involve a physical or chemical process which would change the nature or character of the product or raw material.
2. Scientific and Research Laboratories.
3. Warehousing - provided such activity and the storage of all inventory is conducted entirely within an enclosed structure.
4. Railroad and Light Rail rights-of-way.
5. Industrial Park consisting of one or more of the above uses.

B. Permitted Accessory Uses -- customarily associated with and subordinate and incidental to a permitted principal use, and located on the same lot.

1. Offices.
2. Employee amenity spaces, break rooms, eating areas, etc.

3. Wholesaling (not open to the general public) of goods and services.
4. Distribution.
5. Off-street parking of automobiles and trucks.
6. Loading areas.
7. Fences and walls.
8. Security stations and structures.

C. Adverse Influences

No use or reuse shall be permitted, which, when conducted under proper and adequate conditions and safeguards, will produce corrosive, toxic or noxious fumes, glare, electromagnetic disturbance, radiation, smoke, cinders, odors, dust or waste, undue noise or vibration, or other objectionable features so as to be detrimental to the public health, safety or general welfare.

D. Minimum Lot Size: 2 Acres

E. Lot Shape Factor: All lots shall have a maximum shape factor of 25. Shape factor is defined as the perimeter of the lot squared, divided by the lot area. ($\text{Perimeter}^2 / \text{Lot Area}$)

F. Maximum Building Coverage: 80%

G. Maximum Lot Coverage: 90%

H. Maximum Building Height: 50 feet

I. Minimum Setbacks/Yards:

1. 10 feet to a public street right-of-way line.
2. 5 feet to any property line adjoining a rail road right-of-way.
3. 8 feet to any other property line.
4. Parking, loading areas and any other paved areas shall be setback a minimum of 5 feet from any property line, which area shall be properly landscaped.

J. Minimum Parking:

1. Industrial - One space per three thousand (3,000) sq. ft.
2. Scientific and Research Laboratories - One space per one thousand (1,000) sq. ft.
3. Warehousing - One space per five thousand (5,000) sq. ft.
4. Office - One space per five hundred (500) sq. ft.
5. Parking for mixed uses shall be calculated based on the square footage of each use.

K. Loading: All uses shall adhere to the requirements of the Jersey City Land Development Ordinance.

L. Signage: All uses shall adhere to the requirements of the Jersey City Land Development Ordinance.

- M. Landscaping: A minimum of ten percent (10%) of any lot area shall be landscaped. This landscaping may include buffers, required yards and setback areas, landscaping within parking lots, and other similar planted areas. This amount may be reduced, provided the applicant can demonstrate that land constraints such as, but not limited to, topography, environmental hazards and/or lot configuration exist.

X. OTHER PROVISIONS NECESSARY TO MEET STATE & LOCAL REQUIREMENTS

In accordance with NJSA 40A:12A-1 et seq., known as "The Local Redevelopment and Housing Law", the following statements are made:

- A. The various elements of this Redevelopment Plan set forth above are in compliance with the requirements of State and Local Law.
- B. This Redevelopment Plan contains all provisions necessary to fulfill statutory requirements of the City of Jersey City.
- C. The Redevelopment Plan proposes to attain identifiable local objectives outlined in this Plan as to appropriate land use, intensity of development, improved public utilities, traffic circulation, recreational and community facilities and other public improvements.
- D. Provisions for the temporary relocation and permanent re-housing of persons residing within the Redevelopment Plan Area presented to comply with statutory requirements of the State of New Jersey are not applicable because no individuals or families will be relocated as a result of this project since none live within the Redevelopment Plan's boundaries.
- E. No property within this Redevelopment Area is proposed to be acquired in accordance with this Redevelopment Plan.
- F. The Standards outlined within this Plan are consistent with the goals and objectives outlined in the Hudson County Master Plan. Among the general goals of the 2008 Reexamination Report is: To provide for the economic revitalization of the County's commercial and industrial base. Further, Land Use Goal #2 is: To encourage existing manufacturing and industrial uses to remain, modernize and expand and to encourage new manufacturing and industrial uses to locate in the County, and #9 is: To encourage remediation and reuse of environmentally contaminated sites; both of which are consistent with this Redevelopment Plan. Also within the Hudson County 2008 Master Plan report are several objectives specific to industrial development supported by this Redevelopment Plan. These are:
 - 1. Improve the developability of industrial areas through measures such as infrastructure and access improvements.
 - 2. Encourage and assist in the retention and expansion of existing industries in the County.
 - 4. Establish industrial areas with sufficient access to transportation facilities.

7. Encourage industrial developments to utilize alternative transportation measures for the movement of employees and visitors.

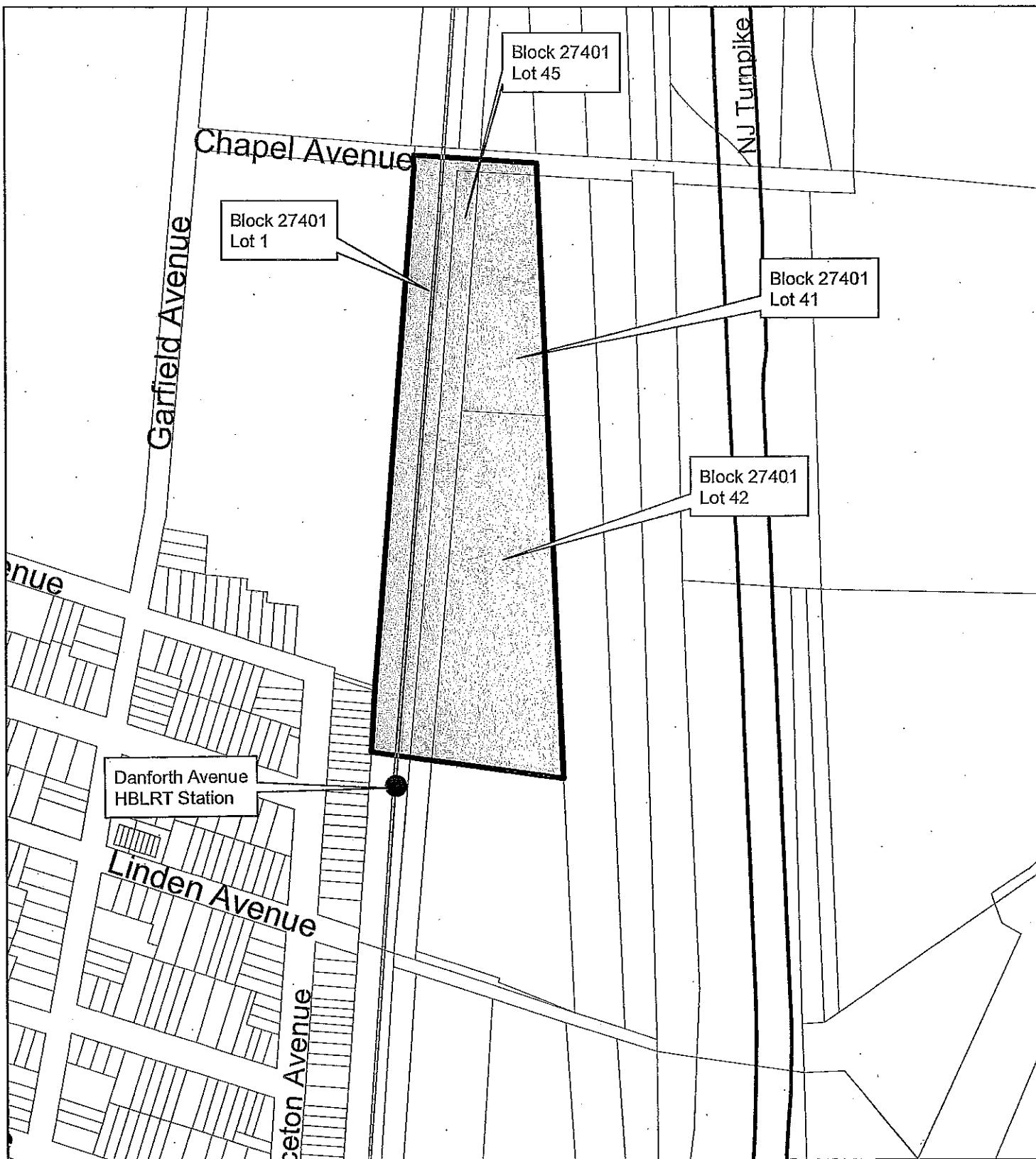
This Redevelopment Plan is consistent with the New Jersey State Development and Redevelopment Plan. Jersey City is a Tier 1 Urban Center. The State Development and Redevelopment Plan encourages development in Tier 1 areas. Further the redevelopment of Brownfield and other contaminated sites is consistent with State environmental policy and redevelopment of properties in close proximity to mass transit is consistent with the principals of "Smart Growth".

The Redevelopment Area is not contiguous to any other municipalities.

- G. The Standards outlined within this Plan are not consistent with the adopted Master Plan of the City of Jersey City. The Master Plan for Jersey City was adopted by the Jersey City Planning Board in August of 2000. The Master Plan designates the Redevelopment Area as DT - Destination Tourism District. The purpose of the Master Plan designation was to further develop this area of the City as a national tourist attraction which can be the catalyst for economic development and provide improved amenities to residents. The district was envisioned to include a convention center, conference center, hotels, active recreation uses, support retail and restaurants. However, the Study Area has not been redeveloped in conformance with these objectives. The Study Area continues to exist as it did at the time of the adoption of the Master Plan, as well as the last forty-five years (45 years); consisting primarily of industrial land uses. The DT objectives have not, and cannot be accomplished with the Redevelopment Area given the Redevelopment Area's limited size, it's isolation and remoteness from other destination type uses in the district and other factors as more fully described in the Introduction section of this Redevelopment Plan. Clearly, the subject area's long history as an industrial area, it's accessibility to the regional road network and accessibility to the local work force via public transportation, the surrounding industrial land uses to the south and east as well as the adjacent freight railroad lines; make this Redevelopment Area much more suited for industrial development rather than destination tourism.
- H. This Redevelopment Plan shall supersede all provisions of the Jersey City Zoning Ordinance that are specifically addressed herein. Any zoning related question that is not addressed herein shall refer to the Jersey City Land Development Ordinance for clarification. No variance from the requirements herein shall be cognizable by the Zoning Board of Adjustment. The Planning Board alone shall have the authority to grant deviations from the requirements of this Plan, as provided herein. Upon final adoption of this Plan by the Municipal Council of Jersey City, the Jersey City Zoning Map shall be amended to rezone the Study Area covered by this Plan as the Redevelopment Area and all underlying zoning will be voided

XI. PROCEDURE FOR AMENDING THE PLAN

This Redevelopment Plan may be amended from time to time upon compliance with the requirements of law. A fee of five thousand dollars (\$5,000) plus all costs for copying and transcripts shall be payable to the City of Jersey City for any request to amend this Plan. If there is a designated developer, as provided for under NJSA 40:55C-1 et seq., said developer shall be responsible for any and all such costs. If there is no developer the appropriate agency shall be responsible for any and all such costs.

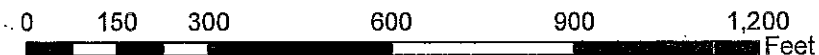


CHAPEL AVENUE INDUSTRIAL PARK REDEVELOPMENT PLAN BOUNDARY MAP



OCTOBER 8, 2014

1 inch = 300 feet



City Clerk File No. Ord. 14.145

Agenda No. 3.C 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE

offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.145

TITLE:

ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY ADOPTING AMENDMENTS TO THE OCEAN/ BAYVIEW REDEVELOPMENT PLAN TO PERMIT OIL CHANGE STATIONS WITH OIL RECYCLING AT THE CORNER OF OCEAN AVENUE AND BAYVIEW AVENUE

WHEREAS, the Local Redevelopment and Housing Law, (NJSA 40A:12A-1 et seq.) permits municipalities to adopt and amend regulations dealing with areas declared to be in need of redevelopment; and

WHEREAS, an Urban Renewal Plan was adopted for the Ocean/ Bayview Redevelopment Plan in May of 1984 and last amended in November 1992; and

WHEREAS, the Municipal Council seeks to promote commercial development on city owned land and the continuing redevelopment of the area by amending the standards and regulations within the redevelopment plan; and

WHEREAS, a copy of the amended text is attached hereto and made a part hereof, and is available for public inspection at the Offices of the City Clerk, City Hall, 280 Grove Street, Jersey City, NJ; and

WHEREAS, the following amendments to the Ocean/Bayview Redevelopment Plan have been reviewed by the Jersey City Planning Board at its meeting of October 21, 2014; and

WHEREAS, the Planning Board voted to recommend adoption of these amendments by the Municipal Council; and

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that the recommended amendments to the Ocean/Bayview Redevelopment Plan be, and hereby are, adopted.

BE IT FURTHER ORDAINED THAT:

- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- B. This ordinance shall be a part of the Jersey City Code as though codified and set forth fully herein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- C. This ordinance shall take effect at the time and in the manner as provided by law.
- D. The City Clerk and the Corporation Council be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible repealers of existing provisions.
- E. The City Planning Division is hereby directed to give notice at least ten days prior to the hearing on the adoption of this Ordinance to the Hudson County Planning board and to all other persons entitled thereto pursuant to N.J.S. 40:55D-15 and N.J.S. 40:55D-63 (if required). Upon the adoption of this Ordinance after public hearing thereon, the City Clerk is hereby directed to publish notice of the passage thereof and to file a copy of the Ordinance as finally adopted with the Hudson County Planning Board as required by N.J.S. 40:55D-16. The clerk shall also forthwith transmit a copy of this Ordinance after final passage to the Municipal Tax Assessor as required by N.J.S. 40:49-2.1.


Robert D. Cotter, PP, FAICP, Director of Planning

APPROVED AS TO LEGAL FORM

APPROVED: 

Corporation Counsel

APPROVED: _____

Business Administrator

Certification Required ☐

Not Required ☐

ORDINANCE/RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution/ordinance that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution/ordinance.

Full Title of Ordinance/Resolution

ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY ADOPTING AMENDMENTS TO THE OCEAN/ BAYVIEW REDEVELOPMENT PLAN TO PERMIT OIL CHANGE STATIONS WITH OIL RECYCLING AT THE CORNER OF OCEAN AVENUE AND BAYVIEW AVENUE

Initiator

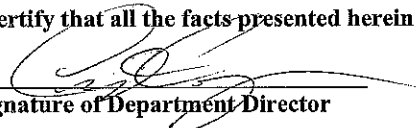
Department/Division	HEDC	City Planning
Name/Title	Robert Cotter, PP, AICP	Director
	Jeff Wenger, AICP	Principal Planner
Phone/email	201-547-5010	bobbyc@jcnj.org / jefft@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Purpose

This ordinance amends the Ocean/Bayview Redevelopment Plan to add service station with oil collection and recycling center as a permitted use (only permitted at the southeast corner of Ocean Ave and Bayview Ave). The lots are currently owned by the Jersey City Redevelopment Agency.

I certify that all the facts presented herein are accurate.


Signature of Department Director

Nov 3, 2014
Date

SUMMARY STATEMENT

ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY ADOPTING AMENDMENTS TO THE OCEAN/ BAYVIEW REDEVELOPMENT PLAN TO PERMIT OIL CHANGE STATIONS WITH OIL RECYCLING AT THE CORNER OF OCEAN AVENUE AND BAYVIEW AVENUE

This ordinance amends the Ocean/Bayview Redevelopment Plan to add service station with oil collection and recycling center as a permitted use (only permitted at the southeast corner of Ocean Ave and Bayview Ave). The lots are currently owned by the Jersey City Redevelopment Agency.

PROPOSED AMENDMENTS TO THE OCEAN BAYVIEW REDEVELOPMENT PLAN

PRESENTED TO THE JERSEY CITY PLANNING BOARD ON OCTOBER 21, 2014

Text that is unchanged is in plain face type like this.

Text that is deleted is in strike-through ~~like this~~.

Text that is added is in bold **like this**.

I. BOUNDARY DESCRIPTION - MAP

(see end of document)

II. REDEVELOPMENT PLAN GOALS AND OBJECTIVES

Renewal activities of the Ocean/Bayview Study Area will be undertaken in conformity with, and will be designed to meet the following goals and objectives.

- 1) To comprehensively redevelop the Ocean/Bayview Study Area by the elimination of negative and blighting influences and by providing new construction and site improvements where appropriate.
- 2) To provide stable and affordable residential uses and housing types for both existing residents and prospective new occupants.
- 3) To provide for the improvement of the functional and physical layout of the project area for contemplated redevelopment and the removal of impediments for land disposition.
- 4) To provide construction related (temporary) jobs, and permanent jobs where possible through the construction of new housing and public improvements.
- 5) To construct new housing for home ownership through a combination of private

development financing and the selective use of federal and state funding programs.

- 6) To provide for the maximization of private investment through the attraction of qualified developers capable of securing private financing commitments.
- 7) To provide for the stabilization and the increase of the tax base of the project area and the entire city by redeveloping non-revenue producing areas and by re-establishing investment confidence on the part of existing and future residents both within the area and in contiguous neighborhoods.
- 8) To provide for the coordination of redevelopment activities to promote a uniform attack on blight which reinforces already existing renewal and improvement programs in adjacent areas in accordance with a plan that integrates the Ocean/Bayview Study Area with the existing physical and social fabric of the City of Jersey City.
- 9) To provide where necessary site improvements for both proposed and existing residential uses including improved streets and sidewalks, off-street parking, open space, pedestrian malls, recreational areas, and new trees, where appropriate.
- 10) To maximize developer participation and contribution to site improvements and other related amenities so as to improve aesthetic qualities of the Ocean/Bayview Study Area in particular and surrounding neighborhoods in general.

III. TYPES OF PROPOSED REDEVELOPMENT ACTIONS

It is proposed to substantially improve and upgrade the Ocean/Bayview Study Area through a combination of redevelopment actions. These will include but not be limited to 1) clearance of dilapidated structures; 2) retention and construction of sound compatible uses; 3) assembly into developable parcels the vacant and underutilized land now in scattered and varied ownership; and 4) provisions for a full range of public infrastructure necessary to service and support the new community.

IV. BUILDING DESIGN OBJECTIVES FOR NEW CONSTRUCTION

- a) All structures within the project area shall be situated with proper consideration of their relationship to other buildings, both existing and proposed, in terms of light, air and usable open space, access to public right-of-ways and off-street parking, height and bulk.
- b) Groups of related buildings shall be designed to present a harmonious appearance in terms of architectural style and exterior materials.
- c) Buildings should be designed so as to be attractive from all vantage points.
- d) Building setbacks should be varied to the extent practicable in order to provide an interesting interplay of buildings and open spaces.

V. SPECIFIC OBJECTIVES

- A) Submission of Redevelopment Proposals

Prior to commencement of construction, architectural drawings and site plans with detailed specifications for the construction and/or rehabilitation of improvements to the area shall be submitted by the developer to the Planning Board of the City of Jersey City for review and approval so that compliance of such plans with the redevelopment requirements and objectives can be determined. Site plan review shall be conducted by the Planning Board pursuant to NJSA 40:55D-1 et. seq. Applications may be submitted for the entire project or in any number of phases. Final Site Plan approval for any phase shall entitle an applicant to building permits.

As part of any Final Site Plan approval, the Planning Board may require a developer to furnish performance guarantees pursuant to NJSA 40:55D-53 et seq. Such performance guarantees shall be in favor of the City in a form approved by the Jersey City Corporation Counsel. The amount of any such performance guarantees shall be determined by the City Engineer and shall be sufficient to assure completion of on and off site improvements within one (1) year of final site plan approval.

Any subdivision of lots and parcels of land within the Redevelopment Area shall be in accordance with the requirements of this plan and the land subdivision ordinance of the City of Jersey City.

B) Adverse Influences

No use or re-use shall be permitted, which when conducted under proper and adequate conditions and safeguards, will produce corrosive, toxic or noxious fumes, glare, electro-magnetic disturbance, radiation, smoke, cinders, odors, obnoxious dust or waste; undue noise or vibration, or other objectionable features so as to be detrimental to the public health, safety or general welfare.

C) Restriction of Occupancy or Use

There shall be no restriction of occupancy or use of any part of the project area on the basis of race, creed, color or national origin.

D) Circulation and Open Space Design Objectives

Unless paved, all open space areas shall be landscaped and maintained in an attractive condition.

Open spaces for both residential rehabilitation and new construction shall be provided where feasible and be so located as to provide for maximum usability by tenants, and to create a harmonious relationship of buildings and open space throughout the project area.

- Sidewalk areas shall be adequately provided for the movements of pedestrians through and around the site.
- Sidewalk areas shall be attractively landscaped and durably paved and shall be provided with adequate lighting.
- Trees and shrubs shall be planted along the curblines at not less than 25 foot centers or in groupings, in a regularly spaced pattern to further increase the aesthetic quality of redevelopment activities.
- Areas designated as improved open space shall be in addition to all parking, loading, yard and setback requirements.

E) Off-Street Parking and Loading Objectives

Off-street parking and loading areas shall be coordinated with the public street system serving the project area in order to avoid conflicts with through traffic or obstruction to pedestrian walks and thoroughfares.

- Any surface parking facilities shall be landscaped; large concentration of parking shall be avoided; poured-in-place concrete curbing shall be used in parking areas to prevent vehicles from encroaching upon planted area.
- All parking and loading areas abutting streets or residential zones shall be landscaped about their periphery with berms, shrubs, trees and/or ground cover as determined by the Division of City Planning and the Jersey City Planning Board.
- All required parking and loading areas shall be provided off-street. All such parking and loading areas shall be graded, paved with a durable dust-free surface, adequately drained, well landscaped, and all access points shall be defined and limited in accordance with the zoning ordinance of the City of Jersey City.

All driveways shall be paved in accordance with the Zoning Ordinance of the City of Jersey City.

Minimum Driveway width: One Way - 10 feet, Two Way - 20 feet

F) Landscape Design Objectives

- All open space, including yards, shall be landscaped with lawns, trees, shrubbery and other appropriate plant material unless said open space is specifically designated for other activities which require paving or other treatment. All screen planting shall be evergreen and only species with proven resistance to the urban

environment in this area will be acceptable. Screen planting shall be a minimum of four (4) feet in height. Material shall be planted, balled and burlapped, and be heavy and of specimen quality as established by the American Association of Nurserymen. At initial planting the material shall provide an opaque screen from the top of the shrub to within six (6) inches of grade. All trees shall be a minimum of three and one half (3 1/2) inches in caliper. All plants, treed and shrubs shall be installed in accordance with the Division of City Planning planting schedules.

G) Interim Uses

- Interim uses may be established, subject to agreement by developers with the Planning Board, that such uses will not have an adverse effect upon existing or contemplated development during the interim use period. All interim uses shall be given a time limitation and may be extended upon request by the developer. All interim uses shall be limited to one year, with provision for two one year extensions at the discretion of the Planning Board.

H) Underground Utility Placement

- All utility distribution lines and utility service connections from such lines to the project areas individual uses shall be located underground where feasible.

VI. GENERAL PROVISIONS

- A)** The regulations and controls in this section (Section VI General Provisions) will be implemented where applicable by appropriate covenants, or other provisions, or agreements for land disposition and conveyance executed pursuant thereto,

- B) The redeveloper shall begin and complete the development of the land and the construction of improvements agreed upon in the disposition contract within a reasonable amount of time as determined in the said disposition contract between the Jersey City Redevelopment Agency and the designated redeveloper.
- C) The redeveloper shall agree to retain the interest acquired in the project land until the completion of the construction and development in the area required by this plan and the disposition instruments, and the redeveloper shall further agree not to sell, lease, or otherwise transfer the interest acquired or any part thereof without prior written approval of the Jersey City Redevelopment Agency.
- D) No covenant, lease, conveyance or other agreement shall be affected or executed by the Jersey City Redevelopment Agency or by a redeveloper or any of his successors or assignees, whereby land within the project area is restricted by the Jersey City Redevelopment Agency or the redeveloper upon the basis of race, creed, color, or national origin in the sale, lease, use or occupancy thereof. Appropriate covenants, running with the land forever, will prohibit such restrictions and shall be included in the disposition instruments.
- E) No building shall be constructed over an easement in the project area without prior written approval of the Jersey City Redevelopment Agency and when appropriate the Jersey City Department of Engineering.
- F) The Jersey City Redevelopment Agency and the Jersey City Planning Board shall specifically reserve the right to review and approve the Redeveloper's plans and specifications with respect to their conformance to the Redevelopment Plan. Such a review shall be on the basis of a site plan and/or construction plans submitted to both agencies. No additional construction or alteration of existing or proposed

construction shall take place until a site plan reflecting such additional or revised construction shall have been submitted to, and approved by both the Jersey City Redevelopment Agency and the Planning Board. This pertains to revisions or additions prior to, during and after completion of the improvements.

- G) The provisions of this plan specifying the redevelopment of the project area and the requirements and restrictions with respect thereto shall be in effect for a period of forty (40) years from the date of approval of this plan by the City Council of the City of Jersey City.
- H) All residential redevelopment proposals and construction plans shall meet applicable F.H.A. and/or H.F.A. minimum room size requirements prior to approval by the Redevelopment Agency and the Planning Board.

VII. GENERAL LAND USE PLAN

1. Land Use Map

Proposed Land Uses shall be shown on Map C "Land Use Map".

2. Land Use Provisions and Building Requirements

A) Permitted Principal Uses

- Detached dwelling units
- Dwelling units with two dwelling units
- One and two family townhouses and rowhouses
- Public and quasi-public uses

- Duplex townhouses
- Multi-family Residential Buildings
- Multi-purpose Community Center, providing such service as housing management, meeting rooms, day care, social support and counseling library, healthcare/first aid, (limited to immediate and minor first aid, visiting nursing and doctor's care, and health education) security and indoor and outdoor recreation.
- Retail sales limited to Ocean Avenue street frontage as determined by the Planning Board
- Professional offices as a home occupation
- Public utilities
- Parking areas as an off-site accessory uses
- Nursing Homes
- Housing Management Facility; provided that:
 1. The facility shall be similar to style and bulk to the housing it is intended to serve.
 2. No overnight storage of vehicles is permitted.
- Senior Housing
- Medical Offices; provided that:
 1. The Medical Office use does not exceed 3000 square feet.
- Service Station with oil collection and recycling center (only permitted at the southeast corner of Ocean Ave and Bayview Ave)

B) Accessory Uses Permitted

- Private garages
- Off-street parking
- Recreation areas as part of a residential development
- Fences and walls

- Designed open space

D) Regulations and Controls

Parcels designated residential shall be designed utilizing various materials to form a compatible overall architectural scheme.

New construction of multi-family residential shall be designed to include:

1. An ornamental cornice at the roofline.
2. Store fronts with hidden or internal security grates.
3. A mid-level cornice above the storefront.
4. Avoid blank walls, particularly at street level.
5. Window detailing, including lintels and sills.
6. A variety of horizontal and vertical architectural elements which harmonize with surrounding structures.
7. Store front windows shall be designed to contain displays and shall not be blocked by signage. There shall be no interior shelving or storage in display windows.
8. Sidewalk shall be tinted French grey.
9. Driveways shall be differentiated from the sidewalk through the use of different paving color and texture. Driveways are to be flush with the sidewalk, with driveway apron slopes shall extend no more than two and one-half feet.
10. Fencing shall be wrought-iron or other decorative material; no chain-link or aluminum fencing is permitted.
11. The roof shall be flat unless incompatible with surrounding buildings.
12. All individual stores shall provide direct access to the sidewalk.
13. First floor space is to have 70% glazing, except in the case where residential units are on the first floor.
14. Buildings shall be designed to include a water table or water course and

differentiated materials at the first floor. All first floor façades must be primarily masonry. No EIFS or synthetic materials are permitted at the first level. All façades and façade materials are subject to Board review and approval.

15. Main entries shall have transom windows above.
16. Street trees are to be included, spaced 35' apart for the length of each project.
17. All rooftops, including garages, shall include patio areas accessible to tenants wherever possible.

Designed open space shall be developed as an integral part in the overall design scheme.

Where any questions arise in terms of definitions or terminology the Zoning Ordinance of the City of Jersey City shall govern.

One and two family townhouses and rowhouses shall be defined as attached structures in a row of similar structures containing one or two dwelling units per structure.

Offices as a home occupation shall be defined as places for the transaction of business where reports are prepared, records kept, and services rendered, but where no retail sales are offered, and shall be limited to licensed doctors, lawyers, architects, engineers and planners.

E) Maximum Height

- All residential uses four (4) stories and fifty (50) feet.
- Public or quasi-public four (4) stories or forty feet except that said building may have additional stories up to sixty (60) feet in height

over not more than fifty (50) percent of the foundation area.

- All senior housing uses four (4) stories and fifty (50) feet.

F) Area, Yard and Bulk

1) Detached dwellings and dwellings with two dwelling units.

Maximum Building Coverage	- 60%
Minimum Lot Area	- 1,875 sq. ft.
Maximum Density	- 50 dwelling units per acre
Minimum & Maximum Front	- shall be consistent with the prevailing street setback, except that front yard setback may not be less than 5 feet nor greater than 20 feet
Minimum One Side	- 0 feet
Minimum Total Sides	- 5 feet
Minimum Rear	-10 feet

The goal of the front yard setback requirement within this section is to have new development setback a distance that is consistent with the existing building line of the street.

All streets, even those which contain large tracts of vacant parcels, contain areas of development which have a definite street line formed by a fence, a hedge or a structure. It is the intent of the prevailing setback requirement to allow flexibility in design while maintaining the character of the neighborhood.

2) One and two family townhouses and rowhouses

Maximum Building Coverage	- 50%
---------------------------	-------

Minimum Lot Area - 1,600 sq. ft.
Maximum Density - 55 dwelling units per acre

Minimum and Maximum Yards

Front - refer to front yard setback requirement for detached dwellings and dwellings with two dwelling units.

Side - 0 feet
Rear - 10 feet

3) Nursing Home (Conditional Use)

- Maximum Building Coverage, Minimum Lot Width, Minimum Lot Depth, Minimum Lot Area, Maximum Density, Minimum Yards, Front, Side, Rear, Lot size, coverage, dimensions, density and yard shall be of sufficient size so as to be conducive to the health and welfare of the tenants of the development as well as adjacent property owners. The Planning Board shall set precise dimensions based upon the above criteria at the time of application.

4) Public and Quasi Public Uses

Maximum Building Coverage - 30%
Minimum Lot Area - 10,000 sq. ft.
Minimum Yards Front - 5 feet
Side - 10 feet
Rear - 10 feet

5) Community Center

Maximum Building Coverage - 75%
Minimum Lot Width - 50 feet
Minimum Lot Depth - 100 feet

6) Multi-Family Residential Buildings

Minimum Lot Area:	10,000 square feet
Minimum Lot Width:	80 feet
Minimum Lot Depth:	80 feet
Maximum Building Coverage:	60%
Maximum Density:	80 dwelling units per acre
Minimum and Maximum Yards:	
Front:	0 feet
Side:	0 feet
Rear:	40 feet
Minimum Parking:	1 space per unit
Maximum Parking:	2 spaces per unit

7) Senior Housing

Minimum Lot Area:	Ten Thousand (10,000) square feet.
Minimum Lot Width:	Eighty (80) feet.
Minimum Lot Depth:	Eighty (80) feet.
Maximum Building Coverage:	Sixty percent (60%).
Maximum Density:	Eighty (80) dwelling units per acre.
Minimum Yards:	
Front:	0 Feet
Side:	0 Feet
Rear:	40 Feet
Minimum Parking:	0.2 spaces per bedroom

Parcels designated residential shall be designed utilizing various materials to form a compatible overall architectural scheme.

New construction of senior housing shall be designed to include:

1. An ornamental cornice at the roofline.
2. Avoid blank walls, particularly at street level.
3. Window detailing, including lintels and sills.
4. A variety of horizontal and vertical architectural elements which harmonize the surrounding structures.
5. Sidewalk shall be tinted French grey.
6. Driveways shall be differentiated from the sidewalk through the use of different paving color and texture. Driveways are to be flush with the sidewalk with driveway apron slopes shall extend no more than two and one-half feet.
7. Fencing shall be wrought-iron or other decorative material; no chain-link or aluminum fencing is permitted.
8. All parking shall be screened by the above mentioned fencing at the street frontage, including a 5' strip of hedge landscaping in addition to the fence.
9. Interior property line adjacent to parking shall contain board-on-board fencing to screen it from its neighbors.
10. The roof shall be flat unless incompatible with surrounding buildings.
11. Buildings shall be designed to include a water table or water course and differentiate materials at the first floor. All first floor facades must be primarily masonry. No EIFS or synthetic materials are permitted at the first level. All facades and façade materials are subject to Board review and approval.
12. Main entries shall have transom windows above.
13. Street trees are to be included, spaced 35' apart for the length of each project.
14. All rooftops, including garages, shall include patio areas accessible to tenants wherever possible.

15. All front yard setbacks shall maintain the setback of the prevailing building line and not to exceed 20' from the curb. The intent is to insure the parking for these buildings is on the side or rear yard and the building is established as a prominent feature on the street.

- 8) **Service Station with oil collection and recycling center**
Minimum Lot Area: Ten Thousand (10,000) square feet.
Minimum Lot Width: Eighty (80) feet.
Minimum Lot Depth: Eighty (80) feet.
Maximum Building Coverage: Sixty percent (60%).
Maximum Lot Coverage: Ninety Percent (90%).
Minimum Yards:

Front: 0 Feet along Ocean Ave.

Minimum of 42 Feet along Bayview Ave. in order to accommodate the requiring parking stall and aisle widths.

Side: 0 Feet along Ocean Ave.

10 Feet along Bayview Ave.

Minimum Parking: two (2) spaces per lift, wheel alignment pit, bay, or similarly work area; spaces shall be separate from the driveway and apron areas which give access to pumps, service areas and areas for display of merchandise. Where retail sales are provided a minimum of one (1) space per one hundred fifty (150) square feet of retail shall be provided.

Parcels designated service station shall be designed utilizing various materials to form a compatible overall architectural scheme.

New construction of a service station shall be designed to include:

1. An ornamental cornice at the roofline.
2. Avoid blank walls, particularly at street level.
3. Window detailing, including lintels and sills.
4. A variety of horizontal and vertical architectural elements which harmonize the surrounding structures.
5. Sidewalk shall be tinted French grey.
6. Driveways shall be differentiated from the sidewalk through the use of different paving color and texture. Driveways are to be flush with the sidewalk with driveway apron slopes shall extend no more than two and one-half feet.
7. Driveways shall be two-way and sited fronting Bayview Ave. and only one driveway is permitted.
8. Parking is permitted between the building and the street.
9. A masonry knee wall planter surrounding the parking area along all street frontages is required, including a 5' strip of hedge landscaping in addition to the knee wall. No chain-link or aluminum fencing is permitted.
10. Interior property line adjacent to parking shall contain board-on-board fencing to screen it from its neighbors.
11. The roof shall be flat unless incompatible with surrounding buildings.
12. Buildings shall be designed to include a water table or water course and differentiate materials at the first floor. All first floor facades must be primarily masonry. No EIFS or synthetic materials are permitted at the first level. All facades and façade materials are subject to Board review and approval.
13. Main entries shall be sited fronting the public sidewalk and remain unlocked during hours of operation.
14. Main entries shall have transom windows above.

15. Street trees are to be included, spaced 35' apart for the length of each project.

G) Off-Street Parking

Where off-street parking regulations are not outlined defer to standards detailed in section F) of this redevelopment plan. All residential units shall provide a maximum of 2 spaces per dwelling unit.

Front yard parking for residential uses is prohibited except as necessary to dwellings specifically designed for handicapped residents.

Professional offices as a home occupation or as part of the ground floor area of garden apartment complexes shall provide off-street parking at a ratio of not less than one (1) space per each three hundred (300) square feet of gross floor area devoted to the professional occupation.

Retail sales shall provide off-street parking at a ratio of one (1) space per 300 square feet gross floor area devoted to commercial use. This requirement shall not apply to convenience type store such as neighborhood grocery or candy stores.

Public and quasi-public uses shall provide off-street parking at a ratio of not less than one (1) space per each six hundred (600) square feet of gross floor area plus one (1) space per each employee assigned to that use.

Nursing home shall provide parking at a ratio to be determined by the Planning Board at the time said application is presented.

H) Minimum Off-Street Loading

Off-street loading shall conform to Article IV of the Zoning Ordinance of the City of Jersey City.

I) Maximum Sign Areas

Retail sales shall be permitted one (1) sign not to exceed more than fifteen (15) percent of the first story facade to which it is attached.

Professional offices as a home occupation shall be permitted one (1) non-illuminated sign either attached or free standing not to exceed two (2) square feet.

Public quasi-public uses shall be permitted one (1) sign not to exceed twelve square feet either attached or free standing.

Service Stations shall be permitted two (2) non-illuminated signs (one per frontage) not to exceed more than fifteen (15) percent of the first story facade to which it is attached. Free standing signs are not permitted.

J) Deviation Requests

The Planning Board may grant deviations from the regulations contained within this Redevelopment Plan, where, by reason of exceptional narrowness, shallowness or shape of a specific piece of property, or by reason of exceptional topographic conditions, pre-existing structures or physical features uniquely affecting a specific piece of property, the strict application of any area, yard, bulk or design objective or regulation adopted pursuant to this Redevelopment Plan, would result in peculiar and exceptional practical difficulties to, or exceptional and undue hardship upon, the developer of such property. The Planning Board may also grant such relief in an application relating to a specific piece of property where the purposes of this Redevelopment Plan would be advanced by a deviation from the strict requirements

of this Plan and the benefits of the deviation would outweigh any detriments. No relief may be granted under the terms of this section unless such deviation or relief can be granted without substantial detriment to the public good and will not substantially impair the intent and purpose of the Redevelopment Plan. Notice shall be given, pursuant to the requirements of NJSA 40:55D-12, a, & b, for any relief requested under this section.

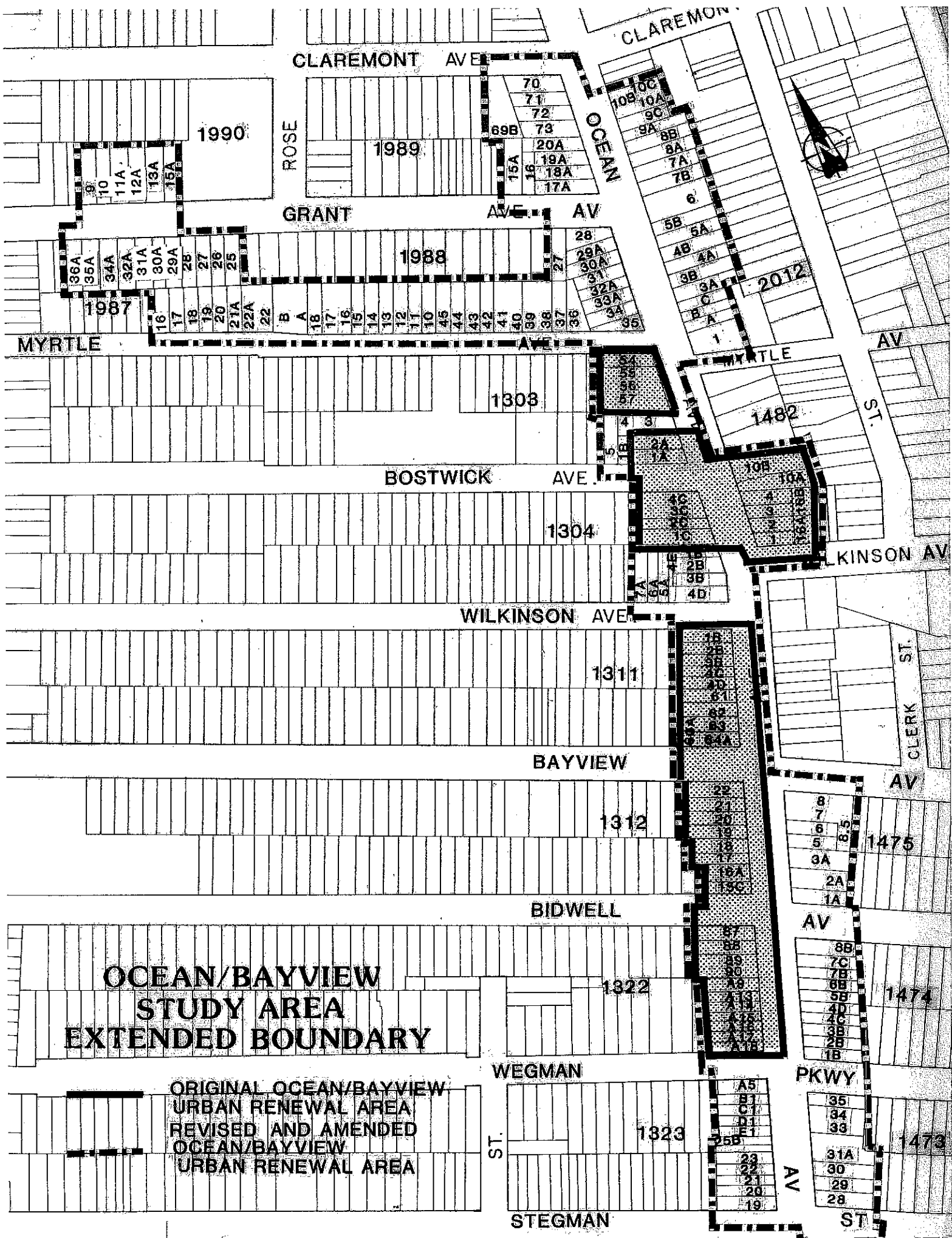
VIII. OTHER PROVISIONS NECESSARY TO MEET STATE AND LOCAL REQUIREMENTS

- A) The various elements of this Redevelopment Plan set forth above are in compliance with the requirements of State and Local Law and there are no additional requirements with respect to a Redevelopment Plan which have not been complied with.
- B) The Redevelopment Plan contains all provisions necessary to fulfill statutory requirement of the City of Jersey City.
- C) The Redevelopment Plan proposes to attain realistic local objectives as to appropriate land use, density of population, improved public utilities, traffic circulation recreational and community improvements, other public renovations.
- D) The following text referencing provisions for the temporary relocation and permanent re-housing of persons residing within the Ocean/Bayview Study Area Redevelopment Project is presented to comply with statutory requirements of the State of New Jersey. The City of Jersey City through the services of the Jersey City Redevelopment Agency staff, will provide displaced families and individuals with the opportunity of being relocated into decent, safe, and sanitary housing which is within their financial means. This office will be staffed by qualified personnel who will actively assist the families and individuals being displaced in finding adequate accommodations. All families and individuals being displaced will be interviewed to determine their re-housing requirements.

In addition, a list of privately owned houses and apartments which have been inspected and certified as being safe, decent and sanitary will be maintained by the relocation staff from which individuals will be referred to such dwelling units which are within their financial means.

IX. PROCEDURE FOR AMENDING THE APPROVED PLAN

This Redevelopment Plan may be amended from time to time upon compliance with the requirements of law.



**OCEAN/BAYVIEW
STUDY AREA
EXTENDED BOUNDARY**

ORIGINAL OCEAN/BAYVIEW
URBAN RENEWAL AREA
REVISED AND AMENDED
OCEAN/BAYVIEW
URBAN RENEWAL AREA

WEGMAN

STEGMAN

PKWY

AV

ST

CLERK ST

ST

OCEAN

ROSE

CLAREMONT AVE

CLAREMONT

GRANT

AV

AV

MYRTLE

MYRTLE

AV

BOSTWICK

AVE

WILKINSON AVE

WILKINSON AV

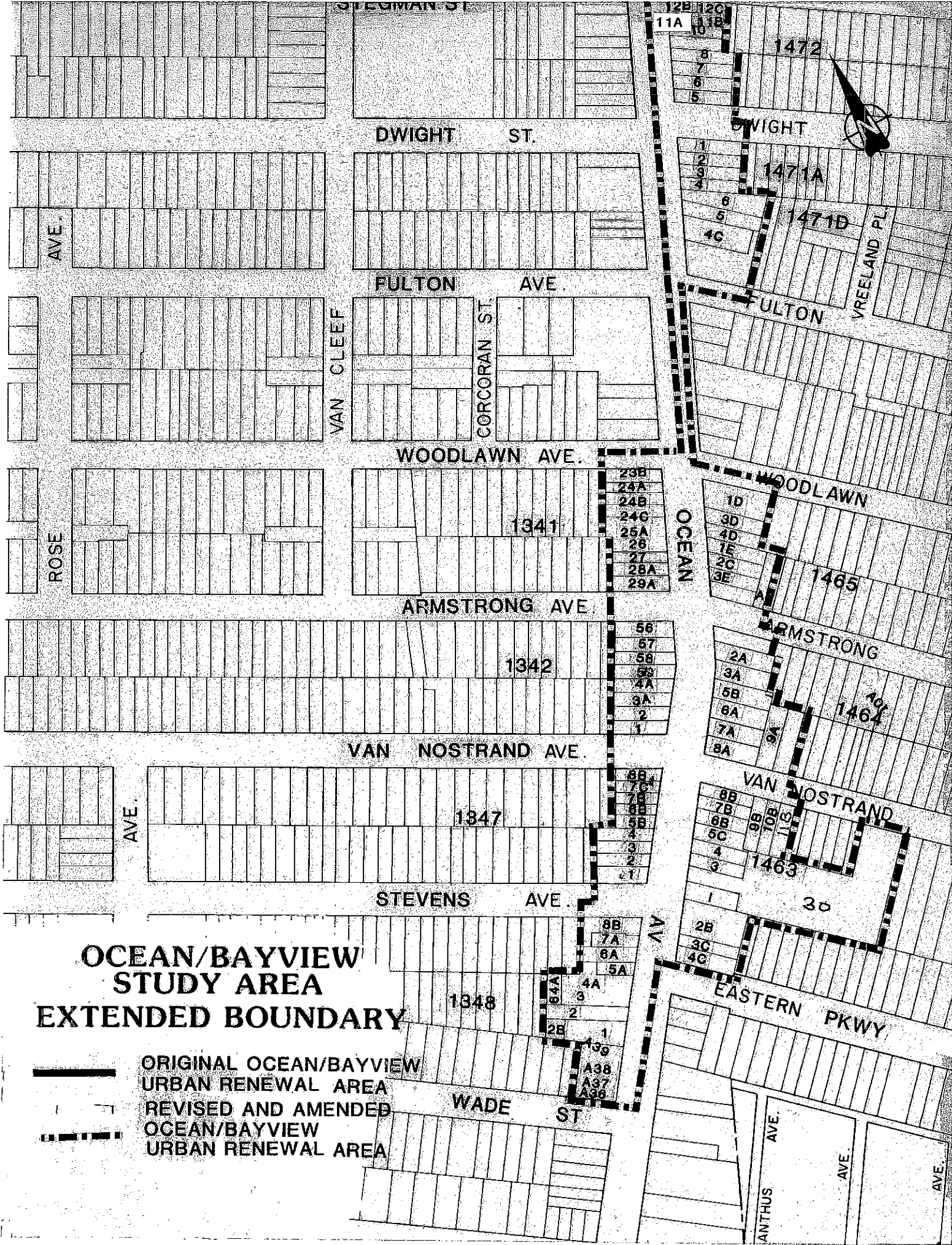
BAYVIEW

BIDWELL



AV

AV

ST



**OCEAN/BAYVIEW
STUDY AREA
EXTENDED BOUNDARY**

-  ORIGINAL OCEAN/BAYVIEW URBAN RENEWAL AREA
-  REVISED AND AMENDED OCEAN/BAYVIEW URBAN RENEWAL AREA

City Clerk File No. Ord. 14.146

Agenda No. 3.D 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.146

TITLE:

ORDINANCE AUTHORIZING THE CITY OF JERSEY CITY TO EXECUTE A
LEASE AGREEMENT WITH HARWOOD CORPORATION FOR 20 PARKING
SPACES LOCATED AT 2854 KENNEDY BOULEVARD.

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, the City needs 20 parking spaces for the Department of Public Safety personnel working at 1 Journal Square Plaza; and

WHEREAS, Harwood Corporation agrees to provide twenty (20) unreserved parking spaces at its facility located at 2854 Kennedy Boulevard, Jersey City for \$120.00 per space per month for a total monthly cost of \$2,400.00; and

WHEREAS, the City shall have the option to increase or decrease the number of parking spaces as needed at \$120.00 per space; and

WHEREAS, Harwood Corporation and the City of Jersey City shall have the right to terminate the lease without cause by providing thirty (30) days prior to the effective date of termination

WHEREAS, the parking spaces rented by the City will be exempt from the City's tax on parking lot spaces pursuant to section 304-1 et seq. of the City Code; and

WHEREAS, the lease term shall be effective January 1, 2015 and ending May 31, 2015 subject to the City's option to renew the lease for an additional three (3) years; and

WHEREAS, funds will be made available in account #01-201-31-432-304 in the 2015 temporary, permanent and future Calendar Year budgets.

NOW, THEREFORE BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

1. Subject to such modifications as may be deemed necessary or appropriate by Corporation Counsel, the Mayor or Business Administrator is authorized to execute the Lease Agreement attached hereto with Harwood Corporation for twenty (20) unreserved parking spaces at 2854 Kennedy Boulevard, Jersey City.
2. The term of the lease shall take effect as of January 1, 2015 and shall end on May 31, 2015 subject to the City's option to renew the lease for an additional three (3) years.
3. Harwood Corporation and the City of Jersey City shall have the right to terminate the lease without cause by providing (30) days notice prior to the effective date of termination.
4. The monthly rent for twenty (20) unreserved parking spaces shall be \$120.00 per space for a total monthly amount of \$2,400.00.
5. The City shall have the option to increase or decrease the number of parking spaces as needed at \$120.00 per space.
6. The parking spaces rented by the City shall be exempt from the parking tax authorized pursuant to Section 304-1 et seq. Of the City Code.

7. Funds will be made available in Account No. 01-201-31-432-304 in the 2015 temporary, permanent and future Calendar Year budgets.
- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- B. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- C. This ordinance shall take effect in the manner as prescribed by law.
- D. The City Clerk and the Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All new material is underlined ; words in (brackets) Are omitted. For purposes of advertising only, new matter is indicated by **boldface** and repealed matter by italic.

AMM/pr

APPROVED AS TO LEGAL FORM

APPROVED: Ann Jane Miller, Real Estate Manager

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐

Not Required ☐

ORDINANCE/RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

ORDINANCE AUTHORIZING THE CITY OF JERSEY CITY TO EXECUTE A LEASE AGREEMENT WITH HARWOOD CORPORATION FOR 20 PARKING SPACES LOCATED AT 2854 KENNEDY BOULEVARD.

Initiator

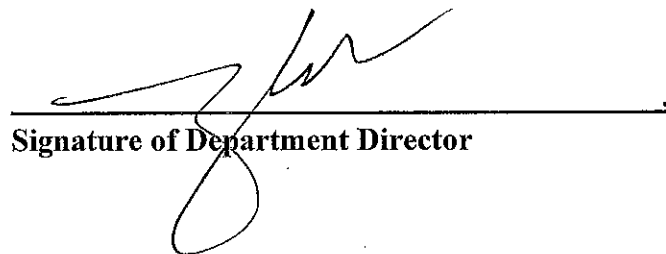
Department/Division	Administration	Real Estate
Name /Title	Steve Miller	Confidential Assistant
Phone/E-Mail	(201) 547-4904	

Note initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

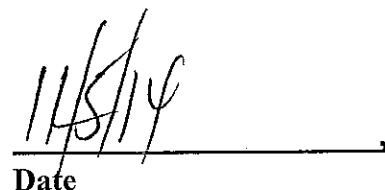
Ordinance/Resolution Purpose

To provide 20 Parking Spaces for the Department of Public Safety located at One Journal Square.

I certify that all the facts presented herein are accurate.



Signature of Department Director



Date

LEASE AGREEMENT

THIS LEASE AGREEMENT made this _____ day of _____, 2015 between **HARWOOD CORPORATION** located at 26 Journal Square Suite 804, Jersey City, New Jersey 07306 and the **CITY OF JERSEY CITY (City)**, having its principal place of business at City Hall, 280 Grove Street, Jersey City, New Jersey 07302.

WHEREAS, the City requires 20 parking spaces for employees working at the Police Department located at 1 Journal Square Plaza, Jersey City, New Jersey; and

WHEREAS, Harwood Corporation agrees to lease the City twenty (20) parking spaces located at 2854 Kennedy Boulevard, Jersey City, New Jersey.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties agree as follows:

ARTICLE I

Premises

Harwood Corporation does hereby lease to the City and the City does hereby rent from Harwood Corporation the following described premises:

A total of twenty(20) parking spaces located at 2854 Kennedy Boulevard.

ARTICLE II

Term

For a term of twelve (12) months effective as of January 1, 2015 and ending December 31, 2015.

ARTICLE III

Use

Under the terms of this lease, the City shall have the right to use and occupy twenty parking spaces located at 2854 Kennedy Boulevard, Jersey City, New Jersey.

ARTICLE IV

Payment of Rent

The City covenants and agrees to pay the Harwood Corporation rent for and during the term hereof the sum of Two Thousand Four Hundred Dollars (\$2,400.00) per month during the term of this Lease. The sum of Two Thousand Four Hundred Dollars (\$2,400.00) represents the monthly rent due for twenty(20) parking spaces at One Hundred Twenty Dollars (\$120.00) per parking space per month. The parking spaces rented by the City will be exempt from the City's tax on parking lot spaces pursuant to section 304-1 et seq. Of the City Code.

ARTICLE V
Assignment Sub- Lease

The City shall not, without the prior written consent of Harwood Corporation, assign mortgagor hypothecate this Lease, or sublet or sublease the premises or any part hereof.

ARTICLE VI
Termination

The Term of this Lease is for twelve (12) months. The City shall have the right at its convenience to terminate the lease at any time during its term by giving thirty (30) days notice prior to the date of termination.

ARTICLE VII
Validity of Lease

The terms, conditions, covenants and provisions of this Lease shall be deemed to be severable. If any clause or provision herein contained shall be adjudged to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it shall not affect the validity or any other clause or provision herein, but such other clauses or provisions shall remain in full force and effect.

ARTICLE VIII
Notices

All notices required under the terms of this Lease shall be given and shall be complete by mailing such notices by certified or registered mail, return receipt requested, or by hand delivery to the address of the parties as shown at the head of this Lease, or to such other address as may be designated in writing notice of change of address shall be given in the same manner.

ARTICLE IX
Entire Contract

This Lease contains the entire contract between the parties. No representative, agent or employee of Harwood Corporation has been authorized to make any representations or promises with reference to the within letting or to vary, alter or modify the terms hereof. No additions changes or modifications, renewals or extensions hereof, shall be binding unless reduced to writing and signed by Harwood Corporation and the City.

ARTICLE X

This Lease may not be filed by the City without the prior written consent of the Harwood Corporation.

Harwood Corporation may pursue the relief or remedy sought in any invalid clause, by conforming the said clause with the provisions of the status or the regulations of any governmental agency in such case made and provided as if the particular provisions of the applicable statutes or regulations were set forth herein at length.

In all references herein to any parties, persons, entities or corporation the use of any particular gender or the plural or singular number is intended to include the appropriate gender or number as the text of the within instrument may require. All the terms, covenants and conditions herein contained shall be for and shall inure to the benefit of and shall bind the respective parties hereto, and their heirs, executors, administrators, personal or legal representatives, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals, or caused these presents to be signed by their proper corporate officers and their proper corporate seal to be hereunto affixed, the day and year first above written.

ATTEST:

CITY OF JERSEY CITY

ROBERT BYRNE
City Clerk

ROBERT J. KAKOLESKI
Business Administrator

WITNESS:

HARWOOD CORPORATION

BY: _____

BY: _____

City Clerk File No. Ord. 14.147

Agenda No. 3. E 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.147

TITLE: AN ORDINANCE SUPPLEMENTING CHAPTER 332 (VEHICLES AND TRAFFIC) ARTICLE III (PARKING, STANDING AND STOPPING) AND ARTICLE IX (PARKING FOR THE DISABLED) OF THE JERSEY CITY CODE DESIGNATING A RESERVED PARKING SPACE AT 8 APOLLO STREET; 8 BAYVIEW AVENUE; 212 BARTHOLDI AVENUE; 508 LIBERTY AVENUE; 200 McADOO AVENUE AND 138 WEGMAN PARKWAY AND REPEAL THE RESERVED PARKING SPACE AT 12 BAYVIEW AVENUE

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

1. Chapter 332 (Vehicles and Traffic) Article III (Parking, Standing and Stopping) and Article IX (Parking for the Disabled) of the Jersey City Code is hereby supplemented as follows:

Section 332-29 Disabled Parking Manual

Section 332-69 Restricted parking zones in front of or near residences of disabled drivers.

PARKING FOR THE DISABLED

Restricted parking spaces, (measuring approximately 22 feet in length) in front of residential building for use by persons who have been issued special vehicle identification cards by the Division of Motor Vehicles and handicapped parking permits issued by the Traffic Division.

Gary Slota
Freeman Johnson
Robin Allen
Mariam Mansour
Manual Martinez
Timothy Harvin

8 Apollo St
[12] 8 Bayview Av
212 Bartholdi Av
508 Liberty Av
200 McAdoo Av
138 Wegman Pkwy

2. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
3. This ordinance shall be a part of the Jersey City Code as though codified and incorporated in the official copies of the Jersey City Code.
4. This ordinance shall take effect at the time and in the manner as prescribed by law.
5. The City Clerk and the Corporation Counsel may change any chapter numbers, article numbers and section numbers if codification of this ordinance reveals a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: The new material to be inserted is underscored; the material to be repealed is in [brackets].

JDS:pcl
(10.22.14)

APPROVED: _____
Director of Traffic & Transportation

APPROVED AS TO LEGAL FORM

APPROVED: _____
Municipal Engineer

APPROVED: _____
Business Administrator

Corporation Counsel

Certification Required ☐
Not Required ☐

ORDINANCE FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any ordinance that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance

AN ORDINANCE SUPPLEMENTING CHAPTER 332 (VEHICLES AND TRAFFIC) ARTICLE III (PARKING, STANDING AND STOPPING) AND ARTICLE IX (PARKING FOR THE DISABLED) OF THE JERSEY CITY CODE DESIGNATING A RESERVED PARKING SPACE AT 8 APOLLO STREET; 8 BAYVIEW AVENUE; 212 BARTHOLDI AVENUE; 508 LIBERTY AVENUE; 200 McADOO AVENUE AND 138 WEGMAN PARKWAY AND REPEAL THE RESERVED PARKING SPACE AT 12 BAYVIEW AVENUE.

Initiator

Department/Division	Administration	Architecture, Engineering, Traffic and Transportation
Name/Title	Joao D'Souza on behalf of Councilwoman Joyce Watterman, Chairwoman, Municipal Council Committee for Disabled Parking	Director of Traffic & Transportation
Phone/email	201.547.4470	JOAO@jcnj.org

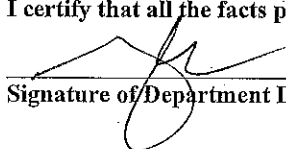
Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Ordinance Purpose

AN ORDINANCE DESIGNATING A RESERVED PARKING SPACE AT 8 APOLLO STREET; 8 BAYVIEW AVENUE; 212 BARTHOLDI AVENUE; 508 LIBERTY AVENUE; 200 McADOO AVENUE AND 138 WEGMAN PARKWAY AND REPEAL THE RESERVED PARKING SPACE AT 12 BAYVIEW AVENUE.

ALL APPLICATIONS WERE REVIEWED AND APPROVED BY THE MUNICIPAL COUNCIL COMMITTEE FOR DISABLED PARKING

I certify that all the facts presented herein are accurate.


Signature of Department Director


Date

City Clerk File No. Ord. 14.148

Agenda No. 3.F 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.148

TITLE: AN ORDINANCE AMENDING CHAPTER 296, ("STREETS AND
SIDEWALKS") ARTICLE VI, ("STREET NAME CHANGES") TO
INCLUDE STANDARDS FOR STREET NAME SIGNAGE AND
STREET VACATIONS

COUNCIL offered and move adoption of the following ordinance:

WHEREAS, the City of Jersey City honors the achievements of local residents and promotes the heritage of the City through the naming, renaming or commemorative designation of streets, and

WHEREAS, the City of Jersey City has established uniform criteria for the naming, renaming or commemorative designation of streets; and

WHEREAS, the City of Jersey City has an interest in ensuring that the criteria for naming, renaming or commemorative designation of streets be a high standard so as to protect the integrity of the City;

WHEREAS, it has become apparent that minor amendments to the City's street name protocol are necessary so as to effectuate the Ordinance's purpose.

THEREFORE, the City Council of the City of Jersey City **HEREBY ORDAINS THAT**,

Chapter 296 Streets and Sidewalks, Article VI Street Name Changes be amended to read

Chapter 296 Streets and Sidewalks, Article VI Street Names

§ 296-19.

A. DEFINITIONS

"Designation" means providing an additional, commemorative name designation, subordinate to the original name designation, of a public thoroughfare over which the City has jurisdiction.

"Municipal Council Street-Name Subcommittee" means the ad hoc subcommittee charged with reviewing applications for commemorative street names and identifying a list of pre-approved names for new streets to be constructed in Jersey City.

"Naming" means providing an original name designation to a public thoroughfare over which the City has jurisdiction.

"Renaming" means changing an original name designation of a public thoroughfare over which the City has jurisdiction to a different name.

"Streets" means any public thoroughfare over which the City has jurisdiction including, but not limited to, those public thoroughfares known as streets, avenues, lanes, and boulevards.

B. PROCEDURE FOR COMMEMORATIVE DESIGNATION OF STREETS

1. Any person or organization seeking a commemorative street name designation shall file a Commemorative Street Dedication Designation Request Form with the City Clerk. The completed form shall include the requested name to be commemorated, the reason for the commemoration, the existing street number or name, the length of the requested commemorative designation, i.e. Montgomery Street from West Side Avenue to Bergen Avenue, and the exact number of commemorative street signs to be added.

In the case of a commemorative street designation honoring an individual or an organization, all supporting documentation used to support an application to honor that individual or organization must be authenticated and must be attached to the application.

In the case of a commemorative street designation honoring an individual, the applicant seeking the commemorative designation must conduct an independent background check on the individual, if possible, before submitting a request to dedicate the street. The cost of the background check must be borne by the applicant.

2. The Commemorative Street Dedication Designation Request Form shall be accompanied by a petition signed by at least seventy-five percent of the recorded property owners on the street proposed for the commemorative designation, and should include written letters of support or recommendation from applicable community groups. If the applicant is looking to designate a corner of a street, then the application must be accompanied by a petition signed by all recorded property owners within a two-hundred (200) foot radius of the corner proposed for the commemorative designation. Such a request should also include written letters of support or recommendation from applicable community groups.
3. The City Clerk shall refer the completed Commemorative Street Dedication Designation Request Form, with completed petitions and all additional supplemental materials to the Street-Name Subcommittee which will consist of three Municipal Council representatives or their designees, one of whom will be the ward Councilperson in whose ward the street to be designated is located, the Director of City Planning or his or her designee, the Director of Cultural Affairs or his or her designee, the Director of Public Safety or his or her designee and the Mayor or his or her designee. The Subcommittee will meet as necessary to review commemorative street name applications. If the request is approved by the Subcommittee, the application will be brought before the Municipal Council for final approval.
4. If approved, signs identifying the commemorative name designation shall be placed underneath the primary street name sign.

C. STANDARDS FOR COMMEMORATIVE DESIGNATION

1. The authority to designate any street in Jersey City shall remain solely with the Municipal Council.
2. A proposed commemorative name shall meet all applicable standards and requirements established by Sections C(b) of this ordinance, provided however, that if for any reason the requesting party cannot meet these standards, a letter requesting a waiver of these standards, showing a good cause justification therefore, shall be provided by the requestors.
 - a. A proposed commemorative street designation shall:

- (1) Honor a person, organization, corporation, foundation, or similar entity that has made a significant contribution to the City of Jersey City; or
- (2) Reflect the geographic location, community, and the unique characteristics of the area or neighborhood; or
- (3) Recognize the historical significance of the area or neighborhood.

b. Requirements

The following standards shall apply to the review and approval of any proposed commemorative name:

- (1) Prospective individual honorees should have a minimum of 15 years of community involvement and should have demonstrated an extraordinary and consistent commitment and dedication to Jersey City. Prospective organizational honorees must have a minimum of 30 years of community involvement in Jersey City.
- (2) Prospective organizational honorees must be not-for-profit organizations.
- (3) If a proposed commemorative street designation will recognize a prospective individual honoree, with rare exception, the individual must have been deceased for at least three (3) years.
- (4) The Subcommittee will not consider an application to designate a street for an individual or organization already honored in a similar fashion, i.e. a person or organization having a park, monument or public building already named after him or her in Jersey City.
- (5) A person, organization, foundation, or similar entity that has made significant contributions to the State of New Jersey or to the United States may be considered, but there should be, if possible, some relevant connection to Jersey City.
- (6) The Subcommittee may deny approval of an application at its sole discretion. If an application is denied by the Subcommittee, the original applicant may not reapply on behalf of the prospective honoree for 5 years from the date of the denial.
- (7) Commemorative names should be unique, and unlikely to cause confusion or misunderstanding due to duplication of, or similarity with, an existing name, location, or other street name within Jersey City. Near duplications in spelling or street names that are phonetically similar to existing street names shall not be approved.
- (8) Street names shall not contain more than three (3) words or exceed seventeen (17) characters in length, including spaces between words and excluding the street type, i.e. "avenue" or "street".
- (9) No street can have more than two commemorative street designations.
- (10) If a portion of a street is proposed to be commemoratively designated, the designated portion shall begin and end at the intersections of major cross streets.

- (11) The cost of producing and installing appropriate signs designating the commemorative name shall be paid by the original requestors.

D. STANDARDS FOR RE-NAMING STREETS

The re-naming of streets is discouraged and will only be allowed in exceptional circumstances and be considered within the context of the historical and or community significance of the existing name.

E. STANDARDS FOR NAMING NEW STREETS

1. The authority for the naming new streets constructed in Jersey City shall remain solely with the Municipal Council.
2. The Street-Name Subcommittee will identify fifty (50) potential names for the pre-approved street names list. A list of suitable names will be presented to the Departments of Planning and Public Safety for review within 120 days of the adoption of this Ordinance.
3. A final list of pre-approved street names will be presented to the Municipal Council within 30 days of being reviewed by the Departments of Planning and Public Safety.
4. The pre-approved list of suitable street names will be available in the Division of City Planning. The pre-approved list will contain names that honor people who have made significant contributions to the City of Jersey City, or names which reflect the history, geographic location or unique characteristics of Jersey City. Developers building new streets are to pick from the names on this pre-approved list.
5. Individuals seeking to designate a street may, at their discretion, ask instead that the Subcommittee add the commemorative name to the list of pre-approved street names.
6. If a developer constructing a new street does not wish to pick from the list of pre-approved street names, the developer may ask the Subcommittee for a waiver to submit his or her own suggested street name(s), but the authority to name City streets shall remain with the Municipal Council and the developer's suggested name(s) must conform with the requirements of Section C of this ordinance. The Subcommittee and the Municipal Council reserve the right to reject any proposed new street name.
7. Each new street must be named by separate Ordinance and as each name is chosen from the list of pre-approved street names, that name shall be removed from the list by the City Clerk. Once a name is chosen from the pre-approved street name list, that name shall not be reused for any other street.
8. In the event that the City vacates a street and the vacated street is intended to remain, either in whole or in part, as a vehicular thoroughfare, it shall be a condition of approval that the street name be selected from the pre-approved street name list.

F. STANDARDS FOR COMMEMORATIVE STREET SIGNS

To avoid confusion, the color scheme for commemorative street name signage shall be the inverse color scheme of the current street signs.

1. Standard street signage shall be green with white lettering and commemorative street signs shall be white with green lettering.
2. Street signs within historic districts shall be brown with white lettering and denote the name of the historic district in which the street runs through

along the top edge. Commemorative street signs within a historic district shall be the inverse color scheme of the current street signs within the historic district and shall be white with brown lettering.

3. Commemorative street signs shall be six (6) inches lower than the actual street signs.

I. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.

II. This ordinance shall be a part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.

III. This ordinance shall take effect at the time and in the manner as provided by law.

IV. The City Clerk and the Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

JJH
10-28-14

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

ORDINANCE FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any Ordinance that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the Ordinance.

Full Title of Ordinance

An Ordinance Amending Chapter 296 ("Streets and Sidewalks") Article VI ("Street Name Changes") To include Standards For Street Name Signage and Street Vacations
--

Initiator

Department/Division	City Council	
Name/Title	Councilwoman At Large	
Phone/email	(201) 547-5134	

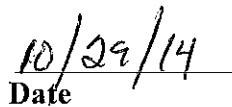
Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Ordinance Purpose

To established uniform criteria for the naming, renaming or commemorative designation of streets.

I certify that all the facts presented herein are accurate.


Signature of Department Director


Date

City Clerk File No. Ord. 14.149

Agenda No. 3.6 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.149

TITLE: **AN ORDINANCE AMENDING: (1) CHAPTER 296 (STREETS AND SIDEWALKS), ARTICLE VII (EXCAVATIONS), SUB-ARTICLE III (PERMITS TO EXCAVATE), (2) CHAPTER 296 SUB-ARTICLE IV (EXCAVATIONS) TO AMEND THE STANDARDS FOR STREET EXCAVATIONS AND (3) CHAPTER 160 (FEES AND CHARGES) SECTION JJ TO INCREASE THE FEES TO EXCAVATE STREETS**

COUNCIL offered and moved adoption of the following Ordinance:

WHEREAS, the City of Jersey City grants over 1,200 permits to excavate City streets every year pursuant to § 296, Article VII; and

WHEREAS, this number excludes the streets excavated by the Jersey City Municipal Utilities Authority and by United Water; and

WHEREAS, in the past, poor coordination between the City, its autonomous agencies and the various public utilities has often resulted in streets being excavated immediately after street resurfacing projects have been completed; and

WHEREAS, the City routinely receives complaints from motorists about streets which have been improperly back-filled and/or paved following street excavations which has resulted in damage to their automobiles; and

WHEREAS, , improving the standards for street excavations, backfilling and street repaving and establishing a protocol for coordinating the City's street resurfacing projects and the street excavation projects of the City's autonomous agencies and the various public utilities is in the City's best interests.

NOW, THEREFORE, BE IT ORDAINED by the Council of Jersey City that Chapter 296 (Streets and Sidewalks), Article VII (Excavations), Sub-article III (Permits to Excavate), shall be amended to read:

§ 296-26. Action on applications for permits to excavate.

- A. Any entity seeking to excavate a City street, including autonomous agencies of the City, must apply for a permit to do so. After the receipt of an application for a permit to excavate, the Department, within 45 days, shall determine whether an application is complete.
- B. If the application is deemed to be incomplete, the Department promptly shall advise the Applicant in a written, electronic, or facsimile communication of the reasons for rejecting the application as incomplete.

- C. Within 60 days of receipt of a complete application, the Department shall deny, approve, or conditionally approve the application.
- (1) If the application is approved or conditionally approved, the Department shall issue a permit to the Applicant upon payment of all fees required under § 160-1 JJ. Any and all permit fees for autonomous agencies of the City only seeking to excavate a City street shall be waived. The Department may condition a permit with specified requirements that preserve and maintain the public health, safety, welfare, and convenience. The Department shall inform the permittee of the basis for such requirements.
- (2) If the application is denied, the Department shall advise the Applicant in a written, electronic, or facsimile communication of the basis for denial.
- D. The Director shall notify The Historic Preservation Office before any excavation commences within the legal borders of Jersey City. The Historic Preservation Officer or an assigned agent(s) shall have the right to be present during any excavations. If excavation uncovers or discloses any structure, grave or artifact, which in the opinion of the Historic Preservation Officer may be of cultural, architectural or archaeological significance, he or she may order that excavation to cease immediately; direct that the means or manner of excavation be changed so as to avoid destruction or damage to any such items excavated; or direct that the excavation cease temporarily until arrangements are made to protect, preserve or remove such items. Any permittee shall have the right to appeal any decision of the Historic Preservation Officer to the Historic Preservation Commission, but no excavation work may continue pending the decision of appeal.

§ 296-27. Terms and limitations.

- A. The permit shall specify the location, extent, and method of the excavation, the start date and duration of the excavation, the hours of the day in which work will be allowed, the permittee to whom the permit is issued, and any conditions placed on the permit.
- B. No excavation shall interfere with the free flow of vehicular or pedestrian traffic without the approval of the Director. Prior to the issuance of a permit authorizing an excavation with the potential to disrupt the free flow of vehicle traffic, the Applicant shall meet with the Municipal Engineer, or his designee, at which time the Applicant shall submit plans for ensuring the safe and orderly flow of vehicular traffic during excavation work. Such plans, and any amendments the Municipal Engineer or his designee shall require, will be submitted as part of the Applicant's request for a permit. Nothing in this section shall excuse the permittee from complying with any other regulations the Department may have with respect to the closure of streets.
- C. Any contractor, sub-contractor, utility or autonomous agency seeking to excavate a City street shall make a good faith effort to coordinate its planned excavation with the City's Division of Engineering so that it coincides with the City's planned street repaving projects.

The Municipal Engineer will post a list of planned street re-surfacing projects on the City's website as soon as possible so as to coordinate with any entities who are seeking to excavate a City street.

§ 296-28. through § 296-38:

NO CHANGE.

BE IT FURTHER ORDAINED that Chapter 296, Sub-article IV (Excavations) be amended to read:

§ 296-39. Notices.

NO CHANGE.

§ 296-40. Notice for the making of subsurface facilities.

NO CHANGE.

§ 296-41. Limits upon excavation in the public right-of-way.

NO CHANGE.

§ 296-42. Regulations concerning excavation sites.

Each Owner and permittee shall be subject to requirements for excavation sites that are set forth in Department orders or regulations. Such orders or regulations shall include, but not be limited to, the following measures:

- A. Protection of the excavation. Each permittee shall cover open excavation with steel plates ramped to the elevation of the contiguous street, pavement, or other public right-of-way, or otherwise protected in accordance with guidelines prescribed by the Department.
- B. Housekeeping and removal of excavated material. Each permittee shall keep the area surrounding the excavation clean and free of loose dirt or other debris in a manner deemed satisfactory to the Department. Excavation sites shall be cleaned at the completion of each work day. In addition, the permittee shall remove all excess excavated material from the site of the excavation no later than the end of each work day.
- C. Storage of Materials and Equipment. Materials and equipment that are to be used for the excavation within five (5) calendar days may be stored at the site of the excavation.
- D. Hazardous material. Each permittee shall be subject to hazardous material guidelines for data collection; disposal, handling, release, and treatment of hazardous material; site remediation; and worker safety and training. The permittee shall be required to comply with all federal, state, and local laws regarding hazardous material. For purposes of this Subsection, hazardous material shall mean any gas, material, substance, or waste which, because of its quantity, concentration, or physical or chemical characteristics, is deemed by any federal, state, or local government authority to pose a present or potential hazard to human health or safety or to the environment.
- E. All street patch repairs/trench restoration must use the infrared paving method or such other ...refined/updated methodology approved by the City's Division of Engineering standards to cover the excavated site. The

backfilling and patching operations of any such excavating project must be supervised by a City inspector to ensure compliance with the City's Division of Engineering standards.

- F. Any crosswalks on the impacted street must be re-stripped and brick-inlaid crosswalks must be restored, if applicable.

§ 296-43. Stop work order, permit modification, and permit revocation.

NO CHANGE.

§ 296-44. Restoration of the public right-of-way.

- A. Restoration. In any case in which the sidewalk, street, or other public right-of-way is or is caused to be Excavated, the Owner and permittee shall restore or cause to be restored such excavation in the manner prescribed by the orders, regulations, and Standard Plans and Specifications of the Department. At a minimum, trench restoration shall include resurfacing to a constant width equal to the widest part of the excavation on each block, plus one additional foot in width on each side of the excavation, in accordance with the Department's Standard and Guidelines.
- B. Backfill, replacement of pavement base, and finished pavement. Activities concerning backfilling, replacement of pavement base, and finished pavement shall be performed in a manner specified by the orders, regulations and Standard Plans and Specifications of the Department. In addition, these activities shall be subject to the following requirements:
- (1) Backfill. Each excavation shall be backfilled and compacted within seventy-two (72) hours from the time the construction related to the excavation is completed. The backfilling operations must be supervised by a City inspector to ensure compliance with the City's Division of Engineering standards.
 - (2) Replacement of pavement base. Replacement of the pavement base shall be completed within seventy-two (72) hours from the time excavation is backfilled. Replacement of the pavement base must be supervised by a City inspector to ensure compliance with the City's Division of Engineering standards.
 - (3) Finished pavement. Finished pavement restoration shall be completed within seventy-two (72) hours of replacement of the pavement base. Finishing operations must be supervised by a City inspector to ensure compliance with the City's Division of Engineering standards.
 - (4) Streets with paved with cobblestones or brick pavers must be returned to their condition prior to excavation. If at all possible, the original cobblestones or bricks should be set aside to be re-used post-excavation. The following is a list of streets paved in cobblestones and yellow bricks:

COBBLESTONE PAVED STREETS:

- Holland Street
- Manning Avenue

- High Street
- 17th Street/Lackawanna Terminal Viaduct
- Provost Street
- Audrey Zapp Drive

YELLOW-BRICK PAVED STREETS:

- Fairmont Terrace
- Apollo Court
- Duncan Court
- Virginia Terrace
- Manning Avenue

- C. Modification to requirements. Upon written request from the permittee, the Director may grant written approval for modifications to the requirements of Subsection (2).
- D. Incomplete excavation; completion by the Department. In any case where an excavation is not completed or restored in the time and manner specified in the permit, this Chapter, or the orders, regulations, and Standard Plans and Specifications of the Department, the Director shall order the Owner or permittee to complete the excavation as directed within twenty-four (24) hours. If the Owner or the permittee should fail, neglect, or refuse to comply with the order, the Director may complete or cause to be completed such excavation in such manner as the Director deems expedient and appropriate. The Owner or permittee shall compensate the Department for any costs associated with the administration and construction required to restore the excavation, including but not limited to any costs related to consultants, equipment, inspection, notification, remediation, repair, restoration, or any other actual costs incurred by the Department or other agencies, authorities, boards, commissions, or departments of the City that were made necessary by said excavation. The cost of such work also may be deducted from the permittee's Deposit pursuant to Subarticle 3, § 296-33. The Director's determination as to the cost of any work done or repairs made shall be final. In addition, the Owner, his Agent or permittee may be subject to those enforcement actions set forth in Subarticle 5.
- E. Subject to the limitation set forth in Subarticle 5, § 296-45, completion of an excavation or restoration by the Department in accordance with Subsection (D) above shall not relieve the Owner or permittee from liability for future pavement at the excavating site.

BE IT ALSO ORDAINED that Chapter 160 (Fees and Charges), Section JJ be amended to read:

§ 160-1. Fee schedule established.

Fees shall be as follows:

A. through II – NO CHANGE.

JJ. Chapter 296 - Streets and Sidewalks.

(1) NO CHANGE.

(2) NO CHANGE.

(3) Fees and deposits for excavations in public rights-of-way:

- (a) Deposit for excavations pursuant to § 296-33 shall be \$25.00 per square foot of the area to be excavated but not less than \$1,000.00 nor more than \$25,000.00.
- (b) Administrative fee of \$50.00 for each block in which an excavation is proposed.
- (c) Inspection fee of \$50 for excavations up to 25 square feet and \$1.75 \$2.00 per square foot for each additional square foot thereafter.
- (d) Such additional fees as may be required by § 296-36
- (e) Any and all permit fees for autonomous agencies seeking to excavate a City street shall be waived.

(4) NO CHANGE.

(5) NO CHANGE.

(6) NO CHANGE.

- I. All Ordinances and parts of Ordinances inconsistent herewith are hereby repealed.
- II. This Ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City shall have this Ordinance codified and incorporated in the official copies of the Jersey City Code.
- III. This Ordinance shall take effect in the manner as provided by law.
- IV. The City Clerk and the Corporation Counsel be and hereby are authorized and directed to change any chapter numbers, article numbers and section numbers in the event the codification of this Ordinance reveals that there is conflict between those numbers and the existing code.

Note: All new material is underlined; words ~~struck through~~ are omitted. For purposes of advertising only, new matter is **boldface** and repealed by *italics*.

JJH 10/23/14

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐

Not Required ☐

City Clerk File No. Ord. 14.150
Agenda No. 3.H 1st Reading
Agenda No. _____ 2nd Reading & Final Passage

REPLACEMENT



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.150

TITLE: ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A LOW INCOME AFFORDABLE HOUSING PROJECT INCLUDING RETAIL SPACE, TO BE CONSTRUCTED BY LEXINGTON MANOR OWNER, LP, A QUALIFIED HOUSING SPONSOR UNDER THE NEW JERSEY MORTGAGE HOUSING FINANCE AGENCY LAW N.J.S.A. 55:14K-1 ET SEQ.

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, Lexington Manor Owner, LP is a qualified housing sponsor under the New Jersey Mortgage Housing Finance Agency Law N.J.S.A. 55:14K-1 et seq.; and

WHEREAS, Lexington Manor Owner, LP, is the contract purchaser of certain property known as: Block 18401, Lots 12, 15, 15.01, 16 & 17; Block 18402, Lots 3, 21, 22, & 23; and Block 18404, Lots 14, 16, & 17, on City's Tax map and more commonly known by the street addresses of 11, 15, 16, 20, 21, 22 Lexington Avenue and 451, 501, 503, and 507 Bergen Avenue, respectively, Jersey City, New Jersey [Property]; and

WHEREAS, Lexington Manor Owner, LP, proposes to construct a housing project to be regulated and financed pursuant to the provisions of the New Jersey Housing and Mortgage Finance Agency Law, N.J.S.A. 55:14K-1 et seq. on the Property; and

WHEREAS, on September 12, 2014, Lexington Manor Owner, LP, applied for a 30 year tax exemption under the New Jersey Mortgage Housing Finance Agency Law N.J.S.A. 55:14K-1 et seq., to rehabilitate an existing 152 unit affordable housing rental project consisting of eight (8) buildings on the Property, which improvements shall include rehabilitating all major building systems including plumbing, HVAC, electrical upgrades, entrance and lobby upgrades, installation of new bathrooms and new kitchens, to create a total of 152 low and moderate income residential units of rental housing; and

WHEREAS, Block 18402, Lot 3, is a vacant lot on the Property which is identified by the tax assessor as a parking lot, but it is not presently being used for this purpose and the Entity does not have a license to operate a commercial parking lot; however, any change in the status or use of the vacant lot would require the Entity to seek an amendment of the tax abatement; and

WHEREAS, two (2) cell antennas are stationed on the Property and are identified by the Tax Assessor as Block 18401, Lot 15, Qualifier T01 and Lot 16, Qualifier T01, which are not part of the tax abatement and are not therefore exempt; and

WHEREAS, a copy of the application dated September 12, 2014, amended on September 25, 2014, is on file in the office of the City Clerk; and

WHEREAS, the cost of construction is estimated to be \$8,056,000; and

ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A LOW INCOME AFFORDABLE HOUSING PROJECT INCLUDING RETAIL SPACE, TO BE CONSTRUCTED BY LEXINGTON MANOR OWNER, LP, A QUALIFIED HOUSING SPONSOR UNDER THE NEW JERSEY MORTGAGE HOUSING FINANCE AGENCY LAW N.J.S.A. 55:14K-1 ET SEQ.

WHEREAS, the Project is expected to create 50 temporary construction jobs and an estimated seven (7) permanent jobs; and

WHEREAS, the City hereby determines that the relative benefits of the project outweigh the cost of the tax exemption for the following reasons:

1. The City will apply to receive credit for creating 152 units of low or moderate income family rental housing against the units needed within the City of Jersey City as determined by the New Jersey Council on Affordable Housing;
2. There is an especially compelling need for decent safe and affordable housing for low or moderate income families, especially for senior citizens who are currently paying over 30% of their income for housing; and
3. The construction of the improvements will stabilize the neighborhood; and

WHEREAS, the City hereby determines that the tax exemption is necessary to insure the success of the project for the following reasons:

1. The reduced tax payments allow the owner to stable its operating budget, allowing a high level of maintenance to the building over the life of the project;
2. The reduction in taxes makes the Project attractive to investors of low income housing tax credits and makes the project eligible for financing from the New Jersey Housing and Mortgage Finance Agency, needed to fund the Project; and
3. The reduced tax payments will allow the owner to maintain the low and moderate income units at the lowest rents possible within the income guidelines; and
4. The project provides 152 units of low income affordable housing which advances an inherently beneficial public purpose notwithstanding that the City's impact analysis, on file with the Office of the City Clerk, that indicates that the amount of the service charge will not support the cost of providing municipal services to the Project; and
5. The project is expected to create 50 temporary construction jobs and an estimated seven (7) permanent jobs; and

WHEREAS, Mayor Steven M. Fulop has reviewed the application and recommends approval of the tax exemption by the Municipal Council.

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

1. The application of Lexington Manor Owner, LP, a qualified housing sponsor under the New Jersey Mortgage Housing Finance Agency Law N.J.S.A. 55:14K-1 et seq., for a tax exemption is hereby approved, subject to the following terms and conditions:
 - (a) Term: 30 years, to run coterminous with the term of the Entity's HMFA mortgage;
 - (b) Service Charge: 6.28 % of Annual Gross Revenue, estimated to be \$140,964 or approximately \$927 per unit;

ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A LOW INCOME AFFORDABLE HOUSING PROJECT INCLUDING RETAIL SPACE, TO BE CONSTRUCTED BY LEXINGTON MANOR OWNER, LP, A QUALIFIED HOUSING SPONSOR UNDER THE NEW JERSEY MORTGAGE HOUSING FINANCE AGENCY LAW N.J.S.A. 55:14K-1 ET SEQ.

- (c) Administration fee: 0.5% of the annual service charge, estimated at \$705;
 - (d) Project: 152 units of affordable low and moderate residential rental; and
 - (e) Property: Block 18401, Lots 12,15, 15.01, 16, & 17; Block 18402, Lots 3, 21, 22, & 23; and Block 18404, Lots 14, 16, & 17, on City's Tax map and more commonly known by the street addresses of 11, 15, 16, 20, 21, 22 Lexington Avenue and 451, 501, 503, and 507 Bergen Avenue, respectively, Jersey City, New Jersey [Property];
2. The Mayor or Business Administrator is authorized to execute a tax exemption Financial Agreement, which includes a Project Employment Agreement in substantially the form on file in the Office of the City Clerk, subject to such modification as the Business Administrator and Corporation Counsel deems appropriate or necessary.
3. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project begins within two (2) years of the adoption of the within Ordinance.
4. All ordinances and parts of ordinances, inconsistent herewith are hereby repealed.
5. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
6. This ordinance shall take effect at the time and in the manner provided by law.
7. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All material is new; therefore underlining has been omitted.
For purposes of advertising only, new matter is indicated
by **bold face** and repealed matter by *italic*.

DJ/he
11/10/14

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

TIER 5B - FA (CO-TERMINOUS WITH HMFA MORTGAGE)

Rev. 11-10-04

HMFA

N.J.S.A. 55:14K-1 et seq.

(Affordable Housing)

Re:

Block 18401, Lots 12, 15, 15.01, 15.01-T01, 16,
16-T01, & 17;

Block 18402, Lots 3, 21, 22, & 23

Block 18404, Lots 14, 16 & 17

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] made this ___ day of ___, 2014, by and between **LEXINGTON MANOR OWNER, L.P.**, is a qualified housing sponsor under the New Jersey Mortgage Housing Finance Agency N.J.S.A. 55:14K-1 et seq., having its principal office 645 Madison Avenue, 5th floor, New York, New York, 10022, and the **CITY OF JERSEY CITY**, a Municipal Corporation in the County of Hudson and the State of New Jersey, [City], having its principal office at 280 Grove Street, Jersey City, New Jersey 07302.

RECITALS

WITNESSETH:

WHEREAS, the Entity is the contract purchaser of certain property known as Block 18401, Lots 12, 15, 15.01, 16 & 17; Block 18402, Lots 3, 21, 22, & 23; and Block 18404, Lots 14, 16, & 17, on City's Tax map and more commonly known by the street addresses of 11, 15, 16, 20, 21, 22 Lexington Avenue and 451, 501, 503, and 507 Bergen Avenue, respectively, Jersey City, New Jersey [Property], and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

WHEREAS, the Entity plans to rehabilitate an existing 152 unit affordable housing rental project consisting of eight (8) buildings on the Property, which improvements shall include rehabilitating all major building systems including plumbing, HVAC, electrical upgrades, entrance and lobby upgrades, installation of new bathrooms and new kitchens, to create a total of 152 low and moderate income

residential units of rental housing; and

WHEREAS, Block 18402, Lot 3, is a vacant lot on the Property which is identified by the tax assessor as a parking lot, but it is not presently being used for this purpose and the Entity does not have a license to operate a commercial parking lot; however, any change in the status or use of the vacant Lot would require the Entity to seek an amendment of the tax abatement; and

WHEREAS, two (2) cell antennas are stationed on the Property and are identified by the Tax Assessor as Block 18401, Lot 15, Qualifier T01 and Lot 16, Qualifier T01, which are not part of the tax abatement and are not therefore exempt; and

WHEREAS, on September 12, 2014, as amended on September 25, 2014, the Entity applied for a 30 year tax exemption under the New Jersey Mortgage Housing Finance Agency Law N.J.S.A. 55:14K-1 et seq., a copy of which is on file in the office of the City Clerk; and

WHEREAS, the cost of construction is estimated to be \$8,056,000; and

WHEREAS, on _____ 20__, the Entity's Application for a tax exemption for the Project was approved by the City by the adoption of Ordinance _____; and

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

ARTICLE I - GENERAL PROVISIONS

Section 1.1 Governing Law

This Agreement shall be governed by the provisions of the New Jersey Housing and Mortgage Finance Agency Law, N.J.S.A. 55:14K-1 et seq., Executive Order of E.O. 02-003, and Ordinance _____, which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

Section 1.2 General Definitions

Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement, the following terms shall have the following meanings:

i. Agency- The New Jersey Housing and Mortgage Finance Agency.

ii. Annual Gross Revenue- The total gross income, including any and all revenue derived from or generated by the Project of whatever kind or amount, whether received as rent from any tenants or income or fees from third parties, including but not limited to fees or income paid or received for parking, laundry, or other services, including any Section 8 certificate revenue derived from the Project, including all rent and other income, with an allowable vacancy rate of up to 5%. It also includes the cost of insurance, gas, electricity, water and sewer charges, other utilities, garbage removal and insurance charges even if paid for directly by the Tenant, if such expense is ordinarily paid for by the Landlord.

iii. Auditor's Report - A complete financial statement outlining the financial status of the Project (for a period of time as indicated by context), which shall also include a certification of Total Project Cost and clear computation of Net Profit. The contents of the Auditor's Report shall have been prepared in conformity with generally accepted accounting principles and shall contain at a minimum the following: a balance sheet, a statement of income, a statement of retained earnings or changes in stockholder's equity, statement of cash flows, descriptions of accounting policies, notes to financial statements and appropriate schedules and explanatory material results of operations, cash flows and any other items reasonably required by the City or its auditors. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

iv. Certificate of Occupancy - Document, whether temporary or permanent, issued by the City authorizing occupancy of a building, in whole or in part, pursuant to N.J.S.A. 52:27D-133.

v. Default - Shall be a breach of or the failure of the Entity to perform any obligation imposed upon the Entity by the terms of this Agreement, or under the Law, beyond any applicable grace or cure periods.

vi. Entity - The term Entity within this Agreement shall mean

Lexington Manor Owner LP, which Entity is formed and qualified pursuant to Law. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under by Law and the transfer has been duly approved by the City.

vii. Improvements or Project - Any building, structure or fixture permanently affixed to the land and to be constructed, renovated or rehabilitated, and tax exempted under this Agreement.

viii. In Rem Tax Foreclosure or Tax Foreclosure - A summary proceeding by which the City may enforce a lien for taxes due and owing by tax sale, under N.J.S.A. 54:5-1 to 54:5-129 et seq.

ix. Land Taxes - The amount of taxes assessed on the value of land, on which the project is located and taxes on any pre-existing improvements. Land Taxes are not exempt; however, the Entity has waived the application of any Land Taxes as a credit against the Annual Service Charge.

x. Land Tax Payments - Payments made on the quarterly due dates, including approved grace periods if any, for Land Taxes as determined by the Tax Assessor and the Tax Collector. However, there shall be no credit against the Service Charge for any Land Tax Payments.

xi. Law - Law shall refer to the New Jersey Housing and Mortgage Finance Agency Law, N.J.S.A. 55:14K-1 et seq.; Executive Order 02-003, relating to long term tax exemption, as it may be amended and supplemented; Ordinance which authorized the execution of this Agreement; and Ordinance 07-123, as may be amended or supplemented from time to time, which requires the execution of a Project Labor Agreement, and all other relevant Federal, State or City statutes, ordinances, resolutions, rules and/or regulations.

xii. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be the amount of the total taxes that would have been levied against all real property in the area covered by the Project in the last full tax year preceding the recording of the HMFA mortgage which amount the parties agree is \$140,964.

xiii. Pronouns - He or it shall mean the masculine, feminine or neuter gender, the singular, as well as the plural, as context requires.

xiv. Substantial Completion - The determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

xv. Termination - Any act or omission which by operation of the terms of this Financial Agreement shall cause the Entity to relinquish its tax exemption.

ARTICLE II - APPROVAL

Section 2.1 Approval of Tax Exemption

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed, renovated or rehabilitated and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block 18401, Lots 12,15, 15.01, 15.01-T01, 16, 16-T01 & 17; Block 18402, Lots 3, 21, 22, & 23; and Block 18404, Lots 14, 16, & 17, more commonly known by the street address of 11, 15, 16, 20, 21, 22 Lexington Avenue and 451, 501, 503, and 507 Bergen Avenue, Jersey City, NJ, and described by metes and bounds in Exhibit 1 attached hereto.

Section 2.2 Approval of Entity

Approval is granted to the Entity whose Certificate of Formation is attached hereto as Exhibit 4. Entity represents that its Certificate contains all the requisite provisions of Law; has been reviewed and approved by the Commissioner of the Department of Community Affairs; and has been filed with, as appropriate, the Secretary of State or Office of the Hudson County Clerk.

Section 2.3 Improvements to be Constructed

Entity represents that it will rehabilitate the existing building on the Property to renovate a total of 152 units of low and moderate income rental housing, all of which is more specifically described in the Application attached hereto as Exhibit 3. There is a vacant lot on the Property which is identified by the tax assessor as a parking lot, but it

is not presently being used for this purpose and the Entity does not have a license to operate a commercial parking lot. Any change in the status or use of the vacant lot would constitute a material change and would require the Entity to apply for an amendment of the tax abatement.

Section 2.4 Construction Schedule

Construction shall commence within two (2) years of the date of adoption of Ordinance ____ which approved this exemption. The Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the Estimated Construction Schedule, attached hereto as Exhibit 5.

Section 2.5 Ownership, Management and Control

The Entity represents that it is the owner of the property upon which the Project is to be constructed. Upon construction, the Entity represents that the Improvements will be managed and controlled as follows:

1. The Entity shall manage the improvements with regard to the residential dwelling units and retail space.
2. The parking facility will be operated by a third party Lessee pursuant to and in accordance with the terms of a certain lease between the Entity and third-party Lessee.

Section 2.6 Financial Plan

The Entity represents that the Improvements shall be financed in accordance with the Financial Plan attached hereto as Exhibit 6. The Plan sets forth estimated Total Project Cost, the amortization rate on the Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid-in capital, and the terms of any mortgage amortization.

Section 2.7 Statement of Rental Schedules and Lease Terms

The Entity represents that its good faith projections of the initial rental schedules and lease terms are set forth in Exhibit 7, attached hereto.

ARTICLE III - DURATION OF AGREEMENT

Section 3.1 Term

So long as there is compliance with the Law and this Agreement, it is understood

and agreed by the parties hereto that this Agreement shall remain in effect for the earlier of thirty-five (35) years from the date of the adoption of Ordinance _____ which approved this exemption or thirty (30) years from the date of the recording of the HMFA mortgage as funded and approved by the Agency. The tax exemption shall only be effective only while the Project is owned by an entity formed and operating as a housing sponsor under the Law and subject to an HMFA mortgage. The term of this exemption is coterminous with the Entity's HMFA mortgage which term is seventeen (17) years. Thereafter, the tax exemption shall expire and the land and improvements thereon shall be assessed and taxed according to the general law applicable to other non-exempt property in the City.

ARTICLE IV - ANNUAL SERVICE CHARGE

Section 4.1 Annual Service Charge

In consideration of the tax exemption, the Entity shall make payment to the City of an amount equal to the greater of: the Minimum Annual Service Charge or 6.28% of the Annual Gross Revenue. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue as set forth in its Financial Plan, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.

A Minimum Annual Service Charge shall be due beginning on the date this Agreement is executed. The Annual Service Charge shall be due on the first day of the month following Substantial Completion. In the event the Entity fails to timely pay the Minimum Annual Service Charge or the Annual Service Charge, the amount unpaid shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

Section 4.2 Administrative Fee

The Entity shall also pay an annual administrative fee to the City in addition to the Minimum or Annual Service Charge. This administrative fee shall equal to half of one (0.5%) percent of the Annual Service Charge and shall be payable and due on or before December 31st of each year and collected in the same manner as the Annual Service Charge.

Section 4.3 Land Tax Credit

The parties approved this agreement with the specific term that there would be no Land Tax Credit against the Service Charge. The Entity affirmatively waives any entitlement to a land tax credit against the service charges. This waiver constitutes a material condition of this Agreement, such that, in the event that any Land Tax credit would be required by a court of law, both this Agreement and the tax exemption would terminate. In addition, the City shall have, among this remedy and other remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement.

Section 4.4 Quarterly Installments

The Entity expressly agrees that the Annual Service Charge shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. In the event that the Entity fails to pay the Annual Service Charge, the amount unpaid shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid.

Section 4.5 Material Conditions

It is expressly agreed and understood that the timely payments of Land Taxes, the absence of any Land Tax Credit, Minimum Annual Service Charges, Annual Service Charges, including adjustments thereto, Administrative Fees, and any interest thereon, are all Material Conditions of this Agreement.

ARTICLE V - PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

Section 5.1 Project Employment Agreement

In order to provide City residents and businesses with certain employment and other economic related opportunities, the Entity is subject to the terms and conditions of the Project Employment & Contracting Agreement, attached hereto as Exhibit 8.

ARTICLE VI - CERTIFICATE OF OCCUPANCY

Section 6.1 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a timely manner. The failure to timely secure the

Certificates of Occupancy shall subject the property to full taxation.

Section 6.2 Filing of Certificate of Occupancy

It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not mitigate against any action or non-action, taken by the City, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

Section 6.3 Construction Permits

The estimated cost basis disclosed by the Entity's application and proposed Financial Agreement may, at the option of the City, be used as the basis for the construction cost in the issuance of any construction permit(s) for the Project.

ARTICLE VII - ANNUAL REPORTS

Section 7.1 Accounting System

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles.

Section 7.2 Periodic Reports

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis that this Agreement shall continue in effect, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, and the NJ Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall include, but not be limited to: Rental schedule of the urban renewal Project, and the terms and interest rate on any mortgage(s) associated with the purchase or construction of the Project and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Law and this Agreement. The Report shall clearly identify and calculate the Net Profit for the Entity during the previous year.

B. Total Project Cost Audit: Within ninety (90) days after the Substantial Completion of the Project, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, an audit of Total Project Cost, certified as to actual construction costs by an independent and qualified architect, utilizing the form attached hereto as Exhibit 9, and as to all other costs, certified its conformance with generally accepted accounting principles, by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, if there has been a change in ownership or interest from the prior year's filing, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, a Disclosure Statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the City may request from time to time.

Section 7.3 Mortgage

Within ninety (90) days after the date the Entity closes on its loan with the Agency, the Entity shall file with the City a fully executed copy of the Note and a recorded copy of the HMFA Mortgage.

Section 7.4 Inspection/Audit

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project and, if deemed appropriate or necessary, any other related Entity by representatives duly authorized by the City and the NJ Division of Local Government Services in the Department of Community Affairs. It shall also permit, upon request, examination and audit of its books, contracts, records, documents and papers. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of an officer or agent designated by the Entity.

All costs incurred by the City to conduct the audit, including reasonable attorneys' fees if appropriate, shall be billed to the Entity and paid to the City as part of the Entity's Annual Service Charge. Interest shall accrue at the same rate as for a

delinquent service charge.

ARTICLE VIII- LIMITATION OF PROFITS AND RESERVES

Section 8.1 Limitation of Profits and Reserves

During the period of tax exemption as provided herein, the Entity's return on investment shall be limited in accordance with the regulations and conditions imposed by the Agency pursuant to N.J.S.A. 55:14K-7(6) or any other Law applicable.

ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION

Section 9.1 Prior Approval of Sale

Any sale or transfer of the Project, shall be void unless approved in advance by Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to a tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the Entity's obligations under this Agreement are fully assumed by the new Entity; 5) the Entity pays in full the maximum transfer fee, 2% of the Annual Service Charge; and 6) as to projects that are not Substantially Complete, the Entity is comprised of principals possessing substantially the same or better financial qualifications and credit worthiness as the Entity.

Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10%, is disclosed to the City in the annual disclosure statement or in correspondence sent to the City in advance of the filing of the annual disclosure statement.

Section 9.2 Transfer or Lease to Tax Exempt Organization or Public Body.

In the event that the Entity transfers, sells, demises, conveys, or in any manner relinquishes ownership or title, including a lease to the land or improvements, covered by this tax exemption agreement, to a tax exempt non-profit organization or institution, including any public body, during the term of the tax exemption agreement, that would adversely impact the City's anticipated economic interests by reducing in any way taxes or the service charge due the City under this agreement or by law, it is understood and

agreed by the Entity that it first obtain the consent of the City to the transfer or lease. It is further understood that it may be grounds for the City to withhold its approval if the City's economic interests are adversely effected thereby.

ARTICLE X - COMPLIANCE

Section 10.1 Operation

During the term of this Agreement, the Project shall be maintained and operated in accordance with the provisions of the Law. Operation of Project under this Agreement shall not only be terminable as provided by N.J.S.A. 55:14K-1, et seq., as currently amended and supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

Section 10.2 Disclosure of Lobbyist Representative

During the term of this Agreement, the Entity must comply with Executive Order 2002-005, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status. The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

ARTICLE XI - DEFAULT

Section 11.1 Default

Default shall be failure of the Entity to conform with the terms of this Agreement or failure of the Entity to perform any obligation imposed by the Law, beyond any applicable notice, cure or grace period.

Section 11.2 Cure Upon Default

Should the Entity be in Default, the City shall send written notice to the Entity of the Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have sixty (60) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable diligence, the City will extend

the time to cure.

Subsequent to such sixty (60) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default failure to pay any charges defined as Material Conditions in Section 4.5, or a sale of the Project occurs without the consent of the City, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

Section 11.3 Remedies Upon Default

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. In order to secure the full and timely payment of the Annual Service Charge, the City on its own behalf, or on behalf of the Trustee, reserves the right to prosecute an In Rem Tax Foreclosure action against the Project Area in accordance with Applicable Law, as more fully set forth in this Financial Agreement.

In addition, the City may declare a Default and terminate this Agreement. Any default arising out of the Entity's failure to pay Land Taxes, the Minimum Annual Service Charge, Administrative Fees, or the Annual Service Charges shall not be subject to the default procedural remedies as provided herein, but shall allow the City to proceed immediately to terminate the Agreement as provided herein. All of the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the

tax exemption or proceed with a tax sale or Tax Foreclosure action or any other specified remedy.

In the event of a Default on the part of the Entity to pay any charges set forth in Article IV, the City among its other remedies, reserves the right to proceed against the Entity's land and property, in the manner provided by the In Rem Foreclosure Act, and any act supplementary or amendatory thereof. Whenever the word taxes appear, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the charges were taxes or municipal liens on land.

ARTICLE XII- TERMINATION

Section 12.1 Termination Upon Default of the Entity

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 11.2, the City may terminate this Agreement upon thirty (30) days written notice to the Entity [Notice of Termination].

Section 12.2 Voluntary Termination by the Entity

The Entity may after the expiration of one year from the Substantial Completion of the Project notify the City that as of a certain date designated in the notice, it relinquishes its status as a tax exempt Project as of the 1st of January of the next ensuing year. The Notice of Termination must be received by the City no later than October 1st of the tax year preceding the calendar year in which the termination is to occur. As of the date so set, the tax exemption, the Annual Service Charges and the profit and dividend restrictions shall terminate.

Section 12.3 Final Accounting

Within ninety (90) days after the date of termination, whether by affirmative action of the Entity or by virtue of the provisions of the Law or pursuant to the terms of this Agreement, the Entity shall provide a final accounting to the City. For purposes of rendering a final accounting the termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 12.4 Conventional Taxes

Upon Termination or expiration of this Agreement, the tax exemption for the

Project shall expire and the land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the City.

ARTICLE XIII - DISPUTE RESOLUTION

Section 13.1 Arbitration

In the event of a breach of the within Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court of New Jersey by an appropriate proceeding, to settle and resolve the dispute in such fashion as will tend to accomplish the purposes of the Law. In the event the Superior Court shall not entertain jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Long Term Tax Exemption Law. The cost for the arbitration shall be borne by the Entity. The parties agree that the Entity may not file an action in Superior Court or with the Arbitration Association unless the Entity has first paid in full all charges defined in Article IV, Section 4.5 as Material Conditions.

ARTICLE XIV - WAIVER

Section 14.1 Waiver

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City of any rights and remedies, including, without limitation, the right to terminate the Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit any right of recovery of any amount which the City has under law, in equity, or under any provision of this Agreement.

ARTICLE XV - INDEMNIFICATION

Section 15.1 Defined

It is understood and agreed that in the event the City shall be named as party defendant in any action by a 3rd party alleging any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of the Law, the Entity shall indemnify and hold the City harmless against any and all liability, loss, cost, expense

(including reasonable attorneys' fees and costs), arising out of this Agreement. The Entity agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the City.

ARTICLE XVI- NOTICE

Section 16.1 Certified Mail

Any notice required hereunder to be sent by either party to the other shall be sent by certified or registered mail, return receipt requested.

Section 16.2 Sent by City

When sent by the City to the Entity the notice shall be addressed to:

Lexington Manor Owner, L.P.
645 Madison Avenue - 5th Floor
New York, NY 10022

and

Wolff & Samson, P.C.
One Boland Drive
West Orange, NJ 07052
Att: Patrick O'Reilly, Esq.

and

New Jersey Housing and Mortgage Finance Agency
637 South Clinton Avenue
P.O. Box 18550
Trenton, NJ 08650-2085

unless prior to giving of notice the Entity shall have notified the City in writing otherwise.

In addition, provided the City is sent a formal written notice in accordance with this Agreement, of the name and address of Entity's Mortgagee, the City agrees to provide such Mortgagee with a copy of any notice required to be sent to the Entity.

Section 16.3 Sent by Entity

When sent by the Entity to the City, it shall be addressed to:

City of Jersey City, Office of the City Clerk
City Hall
280 Grove Street
Jersey City, New Jersey 07302,

with copies sent to the Corporation Counsel, the Business Administrator, and the Tax Collector unless prior to the giving of notice, the City shall have notified the Entity otherwise. The notice to the City shall identify the Project to which it relates, (i.e., the Urban Renewal Entity and the Property's Block and Lot number).

ARTICLE XVII-SEVERABILITY

Section 17.1 Severability

If any term, covenant or condition of this Agreement or the Application, except a Material Condition, shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

If a Material Condition shall be judicially declared to be invalid or unenforceable and provided the Entity is not in Default of this Agreement, the parties shall cooperate with each other to take the actions reasonably required to restore the Agreement in a manner contemplated by the parties. This shall include, but not be limited to the authorization and re-execution of this Agreement in a form reasonably drafted to effectuate the original intent of the parties. However, the City shall not be required to restore the Agreement if it would modify a Material Condition, the amount of the periodic adjustments or any other term of this Agreement which would result in any economic reduction or loss to the City.

ARTICLE XVIII - MISCELLANEOUS

Section 18.1 Construction

This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the City have combined in their review and approval of same.

Section 18.2 Conflicts

The parties agree that in the event of a conflict between the Application and the language contained in the Agreement, the Agreement shall govern and prevail. In the event of conflict between the Agreement and the Law, the Law shall govern and prevail.

Section 18.3 Oral Representations

There have been no oral representations made by either of the parties hereto which are not contained in this Agreement. This Agreement, the Ordinance authorizing the Agreement, and the Application constitute the entire Agreement between the parties and there shall be no modifications thereto other than by a written instrument approved and executed by both parties and delivered to each party.

Section 18.4 Entire Document

This Agreement and all conditions in the Ordinance of the Municipal Council approving this Agreement are incorporated in this Agreement and made a part hereof.

Section 18.5 Good Faith

In their dealings with each other, utmost good faith is required from the Entity and the City.

ARTICLE XIX - EXHIBITS

Section 19 Exhibits

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

1. Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Certificate of the Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Initial Rental Schedules and Lease Terms;
8. Project Employment & Contracting Agreement;
9. Architect's Certification of Actual Construction Costs;
10. Written approval of HMFA mortgage loan, including the amount and term thereof;
11. Entity's Contract for Sale.

IN WITNESS WHEREOF, the parties have caused these presents to be executed the day and year first above written.

ATTEST:

LEXINGTON MANOR OWNER, L.P.

SECRETARY

MEMBER MANAGER

ATTEST:

CITY OF JERSEY CITY

ROBERT BYRNE
CITY CLERK

ROBERT J. KAKOLESKI
BUSINESS ADMINISTRATOR

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ___ day of ___, 2014, between the **CITY OF JERSEY CITY** [City] having its principal office at 280 Grove Street, Jersey City, NJ 07302, and **LEXINGTON MANOR OWNER, L.P.** [Recipient], having its principal office at 645 Madison Avenue, 5th floor, New York, New York, 10022.

I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into an agreement with the City to implement, in whole or in part, this agreement.
2. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
3. Construction Contract means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway or other improvement on a Project Site.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or tax exemption for a property or project which requires approval of the Municipal Council.
6. "Employment" includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. Jersey City Employment and Training Corporation or "JCEPT" means the non-profit quasi public Entity with whom the City has an operating agreement to undertake certain employment services.
8. "Local Business" means a bona fide business located in Jersey City.
9. "Minority" means a person who is defined as such under federal or state law.

10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.
11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor and Workforce Development, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.
12. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
13. "Project or Project Site" means the specific work location or locations specified in the contract.
14. The "Project Employment & Contracting Coordinator" or "Coordinator" is the employee in the Department of Administration presently, the Executive Director of the Jersey City Employment & Training Program, Inc., who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Coordinator. The Coordinator may refer a developer to the JCEPT or its one-stop career center so long as the City and JCEPT agreement is in full force and effect.
15. The "Project Employment & Contracting Monitor" or "Monitor" is the employee in the Department of Administration who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting administration as stipulated by this agreement.
16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.
17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.
18. "The Registry" or "Jersey City Employment Registry" means a data base maintained by the City or its designee, of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.

20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose: Construction Jobs, Business Contracting, Permanent Jobs

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

Because this project is not subject to the terms of a Project Labor Agreement during construction, this agreement shall apply to all Construction Jobs, Business Contracts and non-construction Permanent Jobs. Recipients are also required to notify any commercial tenants of employment services available from the City.

III. Recipient Designee:

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient shall send a letter designating its "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix 1. This Officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix 2.

IV. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City

Council adopted Ordinance ____, approving the tax exemption and terminate the earlier of 35 years from the date of the adoption of that Ordinance or 30 years from the date of Substantial Completion of the Project.

V. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient shall only be required to submit the periodic certified manning and certified payroll reports described below to confirm ongoing compliance. All other Recipients must comply with the following Good Faith goals.

1. **Employment (Construction and Permanent Jobs):** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.
2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

VI. Good Faith Defined. Construction Jobs:

1. **Construction Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Initial Manning Report:

- i) Prior to the commencement of their work on the Project, each Contractor /Subcontractor shall prepare an Initial Manning Report.
- ii) The Initial Manning Report should contain an estimate of the total hours in each construction trade or craft and the number of hours to be worked by City residents, including a list of the number of minority residents and women residents that will work in each trade or craft, including the work hours to be performed by such employees of any and all Contractors and Subcontractors. Attached hereto as Appendix B is the Recipient's Initial Manning Report.
- iii) The Initial Manning Report shall be filed with the Project Employment and Contracting Monitor, who must accept said Report prior to the Recipient

entering into any construction contract. An example of this acceptance letter is given in Appendix C.

B. Developer's Contracting Obligations

- i) Once the developer submits the project's initial manning report, he/she must forward a letter with requests for quotation or bid to Mayor Steven M. Fulop's Business Cooperative Program for local and minority vendors for any construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Appendix D.
- ii) The developer shall make a good faith effort to contact those businesses and individuals who submit bids. This effort must be documented by letter, which will be sent to Mayor Steven M. Fulop's Business Cooperative Program at DEO under the Department of Administration. An example of this letter can be found in Appendix D2.

C. Contractor's/Subcontractor's Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Appendix E.

D. Union Statement of Using Its Best Efforts

- i) Prior to commencement of their work on the Project, the contractor/subcontractor must submit a statement expressing its adherence to the Project Employment & Contracting Agreement to each union with which he/she has a collective bargaining agreement covering workers to be employed on the project.
- ii) The Compliance Statement shall include a union statement for the particular union to sign, which claims the union will use its best efforts to comply with the employment goals articulated in the Project Employment & Contracting agreement. This compliance statement is detailed in Appendix F. A copy of the signed compliance statement must be sent to the Project Employment & Contracting Monitor in DEO under the Department of Administration before work starts in order for a developer to be in compliance.
- iii) The Recipient will require the Contractor or Subcontractor to promptly notify the City of any refusal or failure of a union to sign the statement. If a particular union refuses to sign a statement, the Recipient will document its efforts to obtain such statement and the reasons given by the union for not signing such statement, and submit such documentation to the Project

Employment & Contracting Monitor in DEO under the Department of Administration.

E. Sub-Contractors

The developer shall require that each prime contractor be responsible for the compliance of his/her subcontractors with the aforementioned Project Employment & Contracting requirements during the performance of the contract. Whenever the contractor sub-contracts a portion of the work on the project, the contractor shall bind the subcontractor to the obligations contained in these supplemental conditions to the full extent as if he/she were the contractor.

F. Union Apprentices

The contractor is responsible for assuring that resident and minority apprentices account for at least fifty (50%) percent of the total hours worked by union apprentices on the job in each trade listed in which apprentices are employed, according to the apprentice-to-journey-worker ratio contained in the collective bargaining agreement between the various unions, and shall hold each of his/her subcontractors to this requirement. The Recipient will require the contractor or subcontractor to promptly notify the City of any refusal of a union to utilize resident and minority apprentices.

G. Monthly Manning Report

- i) The Recipient will cause the Contractor to complete and submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.
- ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked by City residents, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.
- iii) The Recipient is responsible for maintaining or causing the Contractor to maintain records supporting the reported work hours of its Contractors or Subcontractors.

H. Monthly Certified Payroll Report

- i) The Recipient will cause the Contractor to furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The

reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the form attached hereto as Appendix H.

- ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

I. Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will request copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit. These reports will be forwarded to the Project Employment & Contracting Monitor within one month of the signing of the Project Employment & Contracting Agreement.

J. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

K. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

L. Work Site Access For Monitor

- i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Appendix I.
- ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

VII. Good Faith Defined. Permanent Jobs:

1. **Permanent Jobs:** Good Faith shall mean compliance with all of the following conditions:

- A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will meet with the Coordinator, including the director of JCETP to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:
 - i) whether subcontractors will be used in the hiring process.
 - ii) the specific types of jobs that need to be filled.
 - iii) the qualifications needed for these particular jobs.
 - iv) possible training programs offered by the permanent employer.
 - v) the Recipient's goals and how it plans to meet these goals.
 - vi) any other issues which need to be addressed.
- B. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix 3.
- C. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 1.A.(i)-(vi) and notify the City.
- D. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors.
- E. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix 4.
- F. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each

position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.

- G. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- H. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- I. Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
- J. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- K. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
- L. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- M. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

VIII. Good Faith Defined. Business Contracts

- A. Good Faith shall mean compliance with all of the following conditions:

i) Solicitation of Businesses:

- a) One month before the solicitation for any goods or services, the Recipient must forward a letter with a description of the goods or services to the Project Employment and Contracting Coordinator;
- b) The Recipient shall provide the City with a written Purchasing Report every month. The form of this report shall be in substantially the form found in Appendix 6.
- c) Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- d) Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- e) Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- f) Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
- g) Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

- h) Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
 - i) Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
 - j) Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.
- B. The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by Project Employment and Contracting Monitor of a Recipient, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

IX. Good Faith Defined. Commercial Tenants at the Project Site

Good Faith shall mean compliance with all of the following conditions:

- A. The Recipient shall send all tenants of commercial space, including retail space, within the Project Site a Tenant Employment Services Guide in the form attached as Appendix 7.
- B. The Recipient shall require tenants of commercial, including any retail space to complete an annual questionnaire concerning the composition of the work force of each tenant. The completed questionnaire be submitted to the Project Employment & Contracting Monitor. The questionnaire shall be in the form attached as Appendix 8.
- C. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than December 1st of each year.

X. Notices of Violation:

- 1. **Advisory Notice:** The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have 7 days to correct the violation.

2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City the City shall issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation.
3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.
4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

If the City determines that the Recipient is in violation after the expiration of the cure periods, the Recipient agrees that the City shall be entitled to the liquidated damages provided below.

XI. Liquidated Damages:

1. While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any cure period, the City will be entitled to liquidated damages from the Recipient in the following amounts:
 - A. Failure to file Initial Manning Report (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracts): an amount equal to Five percent (5%) increase in the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
 - B. Failure to conduct Pre-hiring Interviews or submit Compliance Statement (Submit description of goods or services, (Business Contracting): an amount equal to Three (3%) percent of the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
 - B. Failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Three (3%) percent increase service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.

- C. The use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Ten (10%) service charge as set forth in the Financial Agreement for each quarter or part thereof, the Recipient is non compliant.

XII. Notices

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

Lexington Manor Owner, L.P.
645 Madison Avenue - 5th Floor
New York, NY 10022
Att:

and

Wolff & Samson, P.C.
One Boland Drive
West Orange, NJ 07052
Att: Patrick O'Reilly, Esq.

2. When sent by the Recipient to the City, it shall be addressed to:

City of Jersey City
Department of Administration
Division of Economic Opportunity
Project Employment & Contracting Monitor
280 Grove Street
Jersey City, New Jersey 07302
Att: Division Director

and

Director of Jersey City Employment and Training Program, Inc
895 Bergen Avenue—2nd Floor
Jersey City, NJ 07306
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

XIII. Appendix

These forms are examples only and shall be in substantially the form on file in the Division of Economic Opportunity, subject to modifications from time to time by the City as necessary or appropriate.

1. Letter designating Recipient's Project Employment & Contracting Officer
2. Letter from Recipient to Employees of Recipient's Company
3. Acknowledgment of PECA compliance of Subcontractor
4. Example of Hiring Plan
5. Example of Monthly Employment Report
6. Example of Monthly Purchasing Report
7. Tenant Employment Services Guide
8. Commercial Retail Annual Questionnaire

XIV. Adoption, Approval, Modification:

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

XII. Controlling Regulations and Laws:

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

In the event there are any conflicts between this Agreement and any Project Labor Agreement, then as it pertains to construction jobs covered by the PLA, the Project Labor Agreement shall govern. Wherever possible, this Agreement shall be interpreted consistently with the Project Labor Agreement.

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

LEXINGTON MANOR OWNER, L.P.

Secretary

President

City Clerk File No. Ord. 14.151
Agenda No. 3.I 1st Reading
Agenda No. 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.151

TITLE: AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 11009, LOT 10, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 129 BRUNSWICK STREET

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, the City of Jersey City as an area in need of rehabilitation, is authorized to adopt an ordinance to utilize tax exemptions pursuant to N.J.S.A. 40A:21-1, et seq., the Five (5) Year Exemption and Abatement Law; and

WHEREAS, pursuant to N.J.S.A. 40A:21-1 et seq., the City of Jersey City adopted Ordinance 05-060, Section 304-6 et seq. of the Municipal Code, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor to regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

WHEREAS, pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code, a tax exemption for the construction of a new four (4) story multiple dwelling residential building consisting of seven (7) residential rental units on the Property, is permitted for a period of five (5) years; and

WHEREAS, 129 Brunswick Street, LLC [Entity], is the owner of Property designated as Block 11009, Lot 10, on the City's Tax Map and more commonly known by the street address of 129 Brunswick Street, Jersey City, NJ; and

WHEREAS, the Entity now plans to construct a new multiple dwelling four (4) story residential rental building consisting of seven (7) residential units on the Property; and

WHEREAS, construction will be substantially complete on May 2016; and

WHEREAS, on or about September 12, 2014, the Entity filed an application for a five (5) year tax exemption to construct a new multiple dwelling use Project, a copy of which application is attached hereto; and

WHEREAS, 129 Brunswick Street, LLC, proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and are currently taxed at the sum of \$6,966) a tax payment for the new improvements on the property, as follows:

- (a) 2014: the tax year in which the structure will be completed. \$0 taxes due on improvements;

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 11009, LOT 10, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 129 BRUNSWICK STREET

- (b) 2015: the second tax year, 20% of taxes otherwise due on improvements, estimated to be \$3,572;
- (c) 2016: the third tax year, 40% of taxes otherwise due on improvements, estimated to be \$7,144;
- (d) 2017: the fourth tax year, 60% of taxes otherwise due on improvements, estimated to be \$10,716; and
- (e) 2018: the fifth tax year, 80% of taxes otherwise due on improvements, estimated to be \$14,287;

WHEREAS, the Tax Assessor has determined that the new construction will generate an additional tax payment of \$6,966 for land and \$17,859 for improvements, for a total of \$24,825 a year; and

WHEREAS, the applicant has agreed that in the event the Citywide revaluation results in a decrease in the estimated amount of actual taxes otherwise due, then for purposes of calculating a tax payment hereunder and for the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes otherwise due; and

WHEREAS, the application for tax exemption was complete and timely filed; the application was approved by the Tax Assessor and the residential Project is eligible for tax exemption pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code; and

WHEREAS, upon the expiration of the tax exemption, the total assessment, including both land and improvements, will generate a total tax payment of \$24,825; and

WHEREAS, 129 Brunswick Street, LLC, has agreed to pay the sum of \$10,500 to the City's Affordable Housing Trust Fund, which shall be paid in intervals set forth in Section 304-28 of the Municipal Code.

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

1. The application, attached hereto, for a five (5) year tax exemption for the full and true value of a new multiple dwelling four (4) story residential building consisting of seven (7) residential rental units, located in Block 11009, Lot 10, and more commonly known by the street address of 129 Brunswick Street, Jersey City, N.J., is hereby approved.

2. The Mayor or Business Administrator is hereby authorized to execute a tax exemption agreement which shall contain at a minimum, the following terms and conditions:

- (a) tax payment on the new improvements shall be:
 - (i) Year 1: the tax year in which the structure will be completed. \$0 taxes;
 - (ii) Year 2: the second tax year, 20% of taxes otherwise due on improvements, estimated to be \$3,572;

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 11009, LOT 10, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 129 BRUNSWICK STREET

- (iii) Year 3: the third tax year, 40% of taxes otherwise due on improvements, estimated to be \$7,144;
- (iv) Year 4: the fourth tax year, 60% of taxes otherwise due on improvements, estimated to be \$10,716; and
- (v) Year 5: the fifth tax year, 80% of taxes otherwise due on improvements, estimated to be \$14,287.

The applicant has agreed that in the event the Citywide revaluation results in a decrease in the amount of actual taxes otherwise due for purposes of calculating a tax payment hereunder; during this five (5) year period, the amount due hereunder shall be calculated on the higher of the amount estimated above or the actual taxes due after the revaluation; and

(b) The project shall be subject to all federal, state and local laws, and regulations on pollution control, worker safety, discrimination in employment, zoning, planning, and building code requirements pursuant to N.J.S.A. 40A:21-11(b).

(c) If, during any tax year prior to the termination of the tax agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying, then the tax which would have otherwise been payable for each tax year shall become due and payable from the property owner as if no exemption and abatement had been granted. The collector forthwith ad the tax collector shall, within 15 days thereof, notify the owner of the property of the amount of taxes due.

(d) With respect to the disposal of the property, where it is determined that the new owner of the property will continue to use the property pursuant to the conditions which qualified the property, no tax shall be due, the exemption shall continue, and the agreement shall remain in effect.

(e) At the termination of a tax exemption agreement, the new improvements shall be subject to all applicable real property taxes as provided by State law and regulation and local ordinance; but nothing herein shall prohibit a project, at the termination of an agreement, from qualifying for, an receiving the full benefits of, any other tax preferences provided by law.

(f) Affordable Housing Trust Fund: \$1,500 per unit x 7 units or \$10,500.

3. An obligation to execute a Project Employment and Contracting Agreement to insure employment and other economic benefits to City residents and businesses.
4. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project achieves Substantial Completion within thirty-six (36) months of the date of adoption of the within Ordinance.
5. The form of tax exemption agreement is attached hereto as Exhibit B, subject to such modification as the Corporation counsel or Business Administrator deems necessary.
6. The Tax Assessor shall send a copy of the fully executed Financial Agreement will be sent to the Director of the Division of Local Government Services in the Department of Community Affairs within thirty (30) days of execution pursuant to N.J.S.A. 40a:21-11(d).

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 11009, LOT 10, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 129 BRUNSWICK STREET

- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- B. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- C. This ordinance shall take effect at the time and in the manner provided by law.
- D. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All material is new; therefore underlining has been omitted.
For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

JM/he
10/31/14

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

An Ordinance Approving A Five (5) Year Tax Exemption for a Market Rate Residential Rental Project to be Constructed by 129 Brunswick Street LLC, Under the Short-Term Tax Exemption Law N.J.S.A. 40A:21-1 et. seq. Designated as Block 11009 Lot 10 on the City's Tax Map and known as 129 Brunswick Street

Initiator

Department/Division	Mayor's Office	
Name/Title	Brian Platt	
Phone/email	(201) 547-5200	bplatt@icnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

Construction is proposed for a market rate rental project consisting of one four (4) story building with Seven (7) residential units and no on-site parking spots.

Tax exemptions encourage construction by offering financial incentives of development to projects within the City. 129 Brunswick Street, LLC has applied for a five (5) year tax exemption.

I certify that all the facts presented herein are accurate.

Signature of Department Director

Date

DRAFT

DATE: October 17, 2014

TO: Diana Jeffrey (For distribution to City Council and City Clerk)

FROM: Al Cameron Tax Collector's Office

SUBJECT: FIVE-YEAR TAX ABATEMENT: 129 BRUNSWICK STREET
PROPERTIES, LLC, Block 11009, Lot 10

CC: M. Cosgrove, E. Bjora, J. Monahan, E. Toloza, B. Platt, H. Espinal, G. Corrado,
R. Byrne.

INTRODUCTION

The applicant, 129 Brunswick Street Properties, LLC, is applying for a five (5) Year tax abatement for a four (4) story seven (7) unit market rate residential rental project under N.J.S.A. 40 A: 21-1 et seq. The fee of \$1,400 was paid with the application.

LOCATION OF THE PROPERTY:

The property is located at 129 Brunswick Street near the North West corner of Brunswick and Third Streets. It is Block 11009 Lot 10 on the Jersey City Tax Map. The property is approximately 4,000 square feet.

PROPERTY TO BE CONSTRUCTED

The project is a four (4) story seven (7) unit market rate rental residential building. There will be no on-site parking for this project.

TOTAL CONSTRUCTION COST:

The estimated cost of construction is certified by the architect, Anthony C. Vandermark, Jr., at \$1,400,000.

CONSTRUCTION SCHEDULE:

The applicant has certified that construction has not and will not begin construction prior to the approval and execution of a Financial (Tax) agreement. The applicant anticipates commencement of construction shortly after all approvals are obtained.

ESTIMATED JOBS CREATED:

The applicant estimates Twenty-five (25) jobs will be created during Construction

DRAFT

and two (2) part-time jobs after construction. The applicant will execute a Project Employment and Contracting Agreement

AFFORDABLE HOUSING TRUST FUND CONTRIBUTION:

The applicant proposes an AHTF Contribution. At the rate of \$1,500 per residential for seven (7) units the total is \$10,500. The first payment of \$3,500 is due with the execution of the Financial (Tax) Agreement.

CURRENT REAL ESTATE TAXES:

The assessment for the land is \$93,700 and the building to be constructed is \$240,200. Based upon that assessment at the current rate of \$74.34 the tax for the land is \$6,966. The full tax on the improvements at current the rate is \$17,856. On the schedule below the Assessor's assessment is used and the Current tax rate used is \$74.34 with a two percent (2%) increase annually in the tax rate.

See attached phase-in schedule below:

PROPOSED ABATEMENT:

The applicant has requested a term of five (5) years for the abatement on the improvements. The Applicant will pay the full tax for the land tax in each and every year of the abatement and has proposed a phase-in of the assessment on improvements. In year one (1) the applicant proposes no taxes on improvements. In year two (2) the applicant would pay taxes on twenty percent (20%) of the improvements. The applicant would pay forty percent (40%) in year three (3), sixty percent (60%) in year four (4), Eighty percent (80%) in year five (5) and full taxes in year six (6).

PROPOSED REVENUE TO THE CITY:

The phase-in of taxes on improvements is shown in the table below.

The total taxes projected for the five-year term of the abatement are \$129,175 The total taxes exempted for the term are \$55,020 The Tax Assessor estimated the final assessment based upon information provided by the Applicant. They reflect an estimated annual tax rate increase of two percent (2%) during the period.

DRAFT

129 Brunswick Street, LLC							Five Year
Year	1	2	3	4	5	Full Tax	Totals
Current Tax Rate	74.34	75.83	77.34	78.89	80.47	82.08	
Total Tax	24,822	25,319	25,825	26,341	26,868	27,406	129,175
Land tax	6,966	7,105	7,247	7,392	7,540	7,691	36,250
Tax on Improvements	17,856	18,214	18,578	18,949	19,328	19,715	92,926
Phase in %	0	0	0	1	1	1	
Phase in Tax	0	3,643	7,431	11,370	15,463	19,715	37,906
Exempted Tax	17,856	14,571	11,147	7,580	3,866	0	55,020
Total Tax Payable	6,966	10,748	14,678	18,762	23,003	27,406	74,156

Assumes 2% Annual Tax Rate Increase

Per Tax Assessor

Assessments

Land \$93,700

Improvements \$240,200

Total \$333,900

DRAFT

129 Brunswick Street, LLC							Five Year
Year	1	2	3	4	5	Full Tax	Totals
Current Tax Rate	74.34	75.83	77.34	78.89	80.47	82.08	
Total Tax	24,822	25,319	25,825	26,341	26,868	27,406	129,175
Land tax	6,966	7,105	7,247	7,392	7,540	7,691	36,250
Tax on Improvements	17,856	18,214	18,578	18,949	19,328	19,715	92,926
Phase in %	0	0	0	1	1	1	
Phase in Tax	0	3,643	7,431	11,370	15,463	19,715	37,906
Exempted Tax	17,856	14,571	11,147	7,580	3,866	0	55,020
Total Tax Payable	6,966	10,748	14,678	18,762	23,003	27,406	74,156

Assumes 2% Annual Tax Rate Increase

Per Tax Assessor

Assessments

Land \$93,700

Improvements \$240,200

Total \$333,900

129 BRUNSWICK STREET, LLC
BLOCK 11009 Lot 10
129 Brunswick St

Block	Lot		Existing Assessments	New Assessments	Phase -In Assessment
11009	10	Land	22100	93700	0
		Bldg	0	240200	240200
		Total	22100	333900	240200

**In-Lieu of Full Property Tax Payments An Amount
Equal To A Percentage Of Taxes Otherwise Due,
According To The Following Schedule:
(NJSA 40A:21-10)**

Stages	Year	Phase-In Rate	Description	Land	Bldg	Total
1	2015	0	Land Only	6,966.60	-	6,966.60
2	2016	20%	Land & Bldg	6,966.60	3,571.77	10,538.37
3	2017	40%	Land & Bldg.	6,966.60	7,143.55	14,110.14
4	2016	60%	Land & Building	6,966.60	10,715.32	17,681.92
5	2017	80	Land & Building	6,966.60	14,287.10	21,253.69

Taxes on Land & Building at Completion 24,825.47

FISCAL IMPACT COST PROJECTION (MARKET RATE RENTAL UNITS - TIER 1 - 5 YEAR)
129 BRUNSWICK STREET PROPERTIES, LLC
Block: 11009 Lot: 10 Loc: 129 BRUNSWICK ST

Market Rate Rental Units		Demographic Multipliers (Transit Oriented Development)*				Annual Expenditures		Total Annual Expenditures		
Planned Development	Number of Units	Household	Students	Residents	Students	Per Capita Municipal	Per Pupil Per School District	Municipal	School District	Total
1 Bedroom	3	1.421	0.050	4.26	0.15	\$1,126.42	\$3,445.00	\$4,801.92	\$516.75	\$5,318.67
2 Bedroom	4	2.012	0.120	8.05	0.48	\$1,126.42	\$3,445.00	\$9,065.41	\$1,653.60	\$10,719.01
TOTAL	7			12.31	0.63			\$13,867.33	\$2,170.35	\$16,037.68

1. Total Municipal Ratables	\$5,916,171,471	4. Fiscal Year 2013 Budget	\$500,097,007	6. Population of Jersey City (2010 Census)	247,597	9. Increase in Services Incurred Per Development	\$	16,037.68
2. Residential Ratables	\$3,299,371,882			7. Per Capita Municipal Cost	\$1,126.42	10. Anticipated Taxes (Assuming 74.34 Rate w/ 2% Annual Increase)		
Commercial Ratables	\$1,439,637,425					1st Year \$		6,966.00
3. Residential Ratables as a Percentage of Total Ratables	55.77%	5. Residential Portion	\$278,897,596	8. Annual Expenditures Per Student**	\$3,445.00	2nd Year \$		10,748.00
						3rd Year \$		14,678.00
						4th Year \$		18,762.00
						5th Year \$		23,003.00
Classic Average costing approach for projecting the impact of population change and local Municipal and School District costs						11. Implied Cost (Surplus)		
*Source: New Jersey Demographic Multipliers: Profile of the Occupants of Residential and Nonresidential Development; Listokin, November 2006						1st Year \$		9,071.68
**Source: 2014-2015 Jersey City Municipal Cost Per Pupil						2nd Year \$		5,289.68
						3rd Year \$		1,359.68
						4th Year \$		(2,724.32)
						5th Year \$		(6,965.32)

**129 BRUNSWICK STREET, LLC
FISCAL PLAN
ESTIMATED TAX COMPUTATION FOR YEAR 2015**

Equalization Ratio: 31.24%
Tax rate (per thousand): \$74.35

Current Assessment:

Land:	\$	93,700
Improvement:	\$	-
Total:	\$	93,700

Potential Income:

		#
Units:	1 BR	3
	2 BR	4
		7

Total:
Annual:

Per unit per month:	Total per month:
---------------------	------------------

\$ 54,000
\$ 86,400

\$ 1,500	\$ 4,500
\$ 1,800	\$ 7,200
	\$ 11,700

Total Gross Income:

\$ 140,400

Less: Vacancy and Collection Loss

5%

7,020.00

Effective Gross Income:

133,380.00

Operating Expenses:

Common Area Utilities / Water / Sewer	\$	6,100
Common Area Cleaning / Snow removal /	\$	2,400
Repairs and Maintenance	\$	6,000
Fire Alarm Maintenance	\$	1,200
Management Office Exp.	\$	2,800
Insurance	\$	8,000

Total Operating Expenses:

\$ 26,500

Projected Net Operating Income:

106,880.00

Cap Rate:

10%

0.1

Projected Market Value:

\$1,068,800

Assessment:

\$ 333,893

Ratio:

0.3124

Estimated Annual Real Estate Taxes:

\$ 24,825

Tax rate:

0.07435

Less: Taxes Attributable to the Land

\$ 6,967

Taxes attributable to Improvements:

\$ 17,858

CURRENT ESTIMATED TAX PAYMENTS FOR FIVE YEAR TERM OF EXEMPTION
Based on 2013 Tax Rate and Equalization Ratio

Year	1	2	3	4	5	Total
Projected Tax Rate	\$ 74.66	\$ 74.66	\$ 74.66	\$ 74.66	\$ 74.66	
Total Tax	\$ 24,825	\$ 24,825	\$ 24,825	\$ 24,825	\$ 24,825	\$ 124,125
Land Tax	\$ 6,967	\$ 6,967	\$ 6,967	\$ 6,967	\$ 6,967	\$ 34,833
Tax on Improvements	\$ 17,858	\$ 17,858	\$ 17,858	\$ 17,858	\$ 17,858	\$ 89,292
Statutory Phase In	0%	20%	40%	60%	80%	
Improvement Tax	\$ -	\$ 3,572	\$ 7,143	\$ 10,715	\$ 14,287	\$ 35,717
Exempted Tax	\$ 17,858	\$ 14,287	\$ 10,715	\$ 7,143	\$ 3,572	\$ 53,575
Total Taxes Payable	\$ 6,967	\$ 10,538	\$ 14,110	\$ 17,682	\$ 21,253	\$ 70,550

In lieu tax schedule pursuant to a five year phase in percentages on the new improvement on the above application:

1. In the first full year after completion, land tax only, no payment in lieu of taxes.
2. In the second full year, an amount not less than twenty percent (20%) of the actual taxes otherwise due, currently estimated at: \$ 3,572
3. In the second full year, an amount not less than forty percent (40%) of the actual taxes otherwise due, currently estimated at: \$ 7,143
4. In the second full year, an amount not less than sixty percent (60%) of the actual taxes otherwise due, currently estimated at: \$ 10,715
5. In the second full year, an amount not less than eighty percent (80%) of the actual taxes otherwise due, currently estimated at: \$ 14,287

At the expiration of the abatement, the Project's new improvements would generate an estimated annual tax of: \$ 17,858

And a total tax revenue (with the land tax) of : \$ 24,825

EXHIBIT C

129 BRUNSWICK STREET, LLC

Estimated Cost of Project Construction

The Estimated Cost per N.J.S.A. 40A:21-3(j) is as follows:

"Cost" per Definition:*

Direct Labor & Materials (includes Contractor's Fees)	\$ 1,300,000
---	--------------

Architectural	\$ 50,000
---------------	-----------

Engineering	\$ 50,000
-------------	-----------

Estimated Cost:	<u>\$ 1,400,000</u>
-----------------	---------------------

*Pursuant to N.J.S.A. 40A:21-3(j), estimated "cost" does not include land costs, soft costs (other than architectural and engineering costs), and financing costs. This estimated "cost" differs from the total project cost calculation required under the Long Term Tax Exemption Law, pursuant to N.J.S.A 40A:20-3(h).

EXHIBIT C-1

129 BRUNSWICK STREET, LLC

Certification of Estimated Construction Costs

On this 25th day of SEPTEMBER 2014, the undersigned being the architect for the Project to be developed by 129 Brunswick Street, LLC does hereby certify to the best of my knowledge and belief that Exhibit C accurately reflects the estimated actual construction costs of the Project proposed on Block 11009, Lot 10, more commonly referred to as 129 Brunswick Street, Jersey City, New Jersey.

Witnessed:

By: 

By: 

Name: Anthony C. Vandermark, Jr.

Title: Architect

EXHIBIT E

129 BRUNSWICK STREET, LLC

Disclosure Statement

NAME OF ENTITY: 129 BRUNSWICK STREET, LLC

NAME OF PROJECT: 129 Brunswick Street
Block 11009, Lot 10
Jersey City, New Jersey

PRINCIPAL OFFICE: 276 Newark Avenue
Jersey City, New Jersey 07302

NAME OF REGISTERED AGENT:

ADDRESS:

I CERTIFY THAT THE FOLLOWING LIST REPRESENTS THE NAMES OF ALL MEMBERS OWNING A 10% OR GREATER INTEREST IN THE ABOVE ENTITY (IF ONE OR MORE OF THE BELOW NAMED IS ITSELF AN ENTITY, THE NAMES OF ANY ENTITY OWING A 10% OR GREATER INTEREST THEREIN IS ALSO IDENTIFIED)

NAME	ADDRESS	PERCENT OWNED
Benham G. Torrei	276 Newark Avenue Jersey City, New Jersey 07302	100%

I FURTHER CERTIFY THAT THE FOREGOING STATEMENTS MADE BY ME ARE TRUE. I AM AWARE THAT IF ANY OF THE FOREGOING STATEMENTS MADE BY ME ARE WILLFULLY FALSE, I AM SUBJECT TO PUNISHMENT.

WITNESSED:

129 BRUNSWICK STREET, LLC

By:

Name: CHARLES S. HARRINGTON, JR.

By:

Name: Benham G. Torrei

EXHIBIT F-1

129 BRUNSWICK STREET, LLC

Commencement Certification

The Applicant being the developer of the Project hereby certifies that:

1. Construction of the Project has not and will not commence prior to the final approval and execution of the Tax Agreement between the City and the Applicant.
2. The foregoing statement made by me this 10 day of Oct 2014 is true and I understand that the City of Jersey City is relying upon this Certification in considering the Application.

WITNESSED:

129 BRUNSWICK STREET, LLC

By: Andy Hertz

Name:

By: [Signature]

Name: Behnam G. Torrei, Managing Member

TIER ONE (5 YEAR)
10-31-14
NJSA 40A:21-1 et seq
(Multiple Dwelling, Industrial, Commercial)

TAX AGREEMENT
FIVE YEAR/NEW CONSTRUCTION

THIS AGREEMENT made on this _____ day of _____, 2014, by and between the **CITY OF JERSEY CITY** [City], a municipal corporation organized under the Laws of the State of New Jersey and having its principal place of business at 280 Grove Street, Jersey City, New Jersey 07302, and, **129 BRUNSWICK STREET, LLC** [Applicant/Owner], whose principal place of business is 276 Newark Avenue, Jersey City, NJ 07302.

WITNESSETH:

WHEREAS, the Municipal Council has indicated by its intention to utilize the five year tax exemption provisions authorized by Article VIII, Section I, paragraph VI of the NJ State Constitution and the Five Year Exemption Law, N.J.S.A. 40A:21-1 et seq. for improvements and projects by the adoption of Ordinance 05-060, as amended by Ordinance 07-146; and

WHEREAS, the Applicant is owner of certain property located at 129 Brunswick Street, in the City of Jersey City, County of Hudson and State of New Jersey, designated as Block 11009, Lot 10 on the Tax Assessor's Map, more commonly known by the street address of 129 Brunswick Street, and more particularly described in the metes and bounds description attached hereto as Exhibit A [Property];

WHEREAS, on or about September 12, 2014, the Applicant applied for a five year tax exemption to construct a new Multiple Dwelling four (4) story residential rental building consisting of seven (7) residential units on the Property [Improvements] pursuant to N.J.S.A. 40A:21-1 et seq and Section 304-12 of the Municipal Code [Law]; and

WHEREAS, the City has reviewed the application, approved the construction of the Improvements and authorized the execution of a Tax Exemption Agreement by the adoption of Ordinance _____ on _____.

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and covenants hereinafter contained, the parties hereto agree as follows:

ARTICLE I: APPROVAL OF TAX EXEMPTION

The City hereby agrees to a tax exemption for the construction of a new Multiple Dwelling four (4) story residential rental building consisting of seven (7) residential units [Improvements] on the Property, as further described in the Application, attached hereto as Exhibit B, pursuant to the provisions of N.J.S.A. 40A:21-1 et seq. and Ordinance _____ which authorized the execution of this Tax Agreement [Law], subject to the terms and conditions hereof.

ARTICLE II: IN LIEU OF TAX PAYMENTS

The Applicant agrees to make estimated payments on the new Improvements, (separate and apart from taxes on the land and existing improvements which shall continue to be subject to

conventional assessment and taxation and for which the Applicant shall receive no credit against the in lieu of tax payment) in lieu of full property tax payments according to the following schedule:

1. For the full calendar of Year 1, no payment in lieu of taxes;
2. For the full calendar of Year 2, twenty (20%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$3,572;
3. For the full calendar of Year 3, forty (40%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$7,144;
4. For the full calendar of Year 4, sixty (60%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$10,716; and
5. For the full calendar of Year 5, eighty (80%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$14,287.

In the event a City-wide revaluation results in decrease in the amount of taxes otherwise due, payment hereunder shall be the higher of either the taxes estimated above or the amount of actual taxes after the City-wide revaluation.

ARTICLE III: APPLICATION FEE

The Applicant has paid the sum of \$1,400 to the City as an application fee. Failure to make such payment shall cause the tax exemption to terminate.

ARTICLES IV: FEDERAL, STATE AND LOCAL LAW

The construction of the Improvements is subject to all applicable federal, State and local laws and regulations on pollution control, worker safety, discrimination in employment, housing provision, zoning, planning and building code requirements.

ARTICLE V: TERM OF EXEMPTION

The Tax Exemption granted shall be valid and effective for a period of five (5) full calendar years from the date of Substantial Completion of the Project, which shall ordinarily mean the date on which the City issues, or the Project is eligible to receive, a Certificate of Occupancy, whether temporary or final, for part or the whole of the Project. During the term of the tax exemption, the Applicant shall make an in lieu of tax payment to the City in accordance with the schedule set forth above. Prior to the commencement of the tax exemption, and upon expiration thereof, the Applicant shall pay full conventional taxes on the Improvements.

ARTICLE VI: REVALUE

The applicant has agreed that in the event the revalue results in a decrease in the amount of actual taxes otherwise due, for purposes of calculating a tax payment hereunder during the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes.

ARTICLE VII: NO COUNTY EQUALIZATION AND SCHOOL AID

Pursuant to N.J.S.A. 40A:21-11(c), the percentage, which the payment in lieu of taxes for the tax exempt property bears to the property tax which would have been paid had an exemption not been granted for the property under this Agreement, shall not be applied to the valuation of the property to determine the reduced valuation of the property to be included in the valuation of the City for determining equalization for county tax apportionment and school aid, during the term of the tax exemption agreement covering this property. At the expiration or termination of this Agreement, the reduced valuation procedure required under the Law shall no longer apply.

ARTICLE VIII: OPERATION OR DISPOSITION OF PROPERTY

If during any year prior to the termination of this Agreement, the Applicant ceases to operate or disposes of the Property, or fails to meet the conditions for qualifying for tax exemption under this Agreement or pursuant to Law, then the tax which would have otherwise been payable for each and every year, shall become due and payable from the Applicant as if no exemption had been granted. The Tax Collector shall, within 15 days thereof, notify the owner of the Property of the amount of taxes due.

However, with respect to the disposal of the property, if it is determined that the new owner will continue to use the property pursuant to the conditions which qualify the property for exemption, the tax exemption shall continue and this Agreement shall remain in full force and effect.

ARTICLE IX: AFFORDABLE HOUSING TRUST FUND CONTRIBUTION REQUIRED

A. **Contribution.** The Entity will pay the City the sum of \$10,500 or [\$1,500 per unit x 7 units] as a contribution. The sum shall be due and payable as follows:

- i. 1/3 on or before the effective adoption date of the Ordinance approving the tax exemption;
- ii. 1/3 on or before the issuance of the first of any construction permit for the Project, but no later than six months after the date of the Tax Agreement; and
- iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Tax Agreement.

ARTICLE X: TERMINATION/ELIGIBILITY FOR ADDITIONAL TAX EXEMPTION

Upon the termination of this Agreement for tax exemption, the Project shall be subject to all applicable real property taxes as provided by State Laws and Regulations and City Ordinances. However, nothing herein shall be deemed to prohibit the Project, at the termination of this Agreement, from qualifying for and receiving the full benefits of any other tax preferences allowed by law. Furthermore, nothing herein shall prohibit the Applicant from exercising any rights under any other tax provisions of State law or City Ordinances.

In the event the owner elects to terminate this tax abatement after the revalue, the owner

shall pay the City the difference of 100% of the full amount of the taxes otherwise due from the 1st year of this agreement to the date of termination.

ARTICLE XI: PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

In order to provide City residents and businesses with employment and other economic opportunities, the Applicant agrees to comply with the terms and conditions of the Project Employment & Contracting Agreement which is attached hereto as Exhibit C.

ARTICLE XIII: NOTICES

All notices to be given with respect to this Agreement shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid, return receipt requested, to the party to be notified at the addresses set forth below or at such other address as either party may from time to time designate in writing:

Notice to City:

Business Administrator
City Hall, 280 Grove Street
Jersey City, New Jersey 07302

Notice to Applicant:

129 Brunswick Street, LLC
276 Newark Avenue
Jersey City, NJ 07302

With a copy to:

Connell Foley, LLP
Harborside Financial Center
2510 Plaza Five
Jersey City, NJ 07311
Attn: Charles Harrington, Esq.

ARTICLE XIV: GENERAL PROVISIONS

This Agreement contains the entire Agreement between the parties and cannot be amended, changed or modified except by written instrument executed by the parties hereto.

In the event that any provisions or term of this Agreement shall be held invalid or unenforceable by a Court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof; provided, however, that the City continues to receive the full benefit of any economic term hereunder.

This Agreement shall be governed by and construed in accordance with the Laws of the State of New Jersey.

This agreement may be executed in several counterparts, each of which shall constitute but one and the same instrument.

WITNESS: . .

[illegible]

ATTEST:

BY: Robert J. Kakoleski
Business Administrator

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ___ day of ___, 2014, between the **CITY OF JERSEY CITY** [City] having its principal office at 280 Grove Street, Jersey City, NJ 07302, and **129 BRUNSWICK STREET, LLC** [Recipient], having its principal office at 276 Newark Avenue, Jersey City, NJ 07302.

I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into an agreement with the City to implement, in whole or in part, this agreement.
2. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
3. Construction Contract means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway or other improvement on a Project Site.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or tax exemption for a property or project which requires approval of the Municipal Council.
6. "Employment" includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. Jersey City Employment and Training Corporation or "JCEPT" means the non-profit quasi public Entity with whom the City has an operating agreement to undertake certain employment services.
8. "Local Business" means a bona fide business located in Jersey City.
9. "Minority" means a person who is defined as such under federal or state law.
10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.

11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor and Workforce Development, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.
12. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
13. "Project or Project Site" means the specific work location or locations specified in the contract.
14. The "Project Employment & Contracting Coordinator" or "Coordinator" is the employee in the Department of Administration presently, the Executive Director of the Jersey City Employment & Training Program, Inc., who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Coordinator. The Coordinator may refer a developer to the JCEPT or its one-stop career center so long as the City and JCEPT agreement is in full force and effect.
15. The "Project Employment & Contracting Monitor" or "Monitor" is the employee in the Department of Administration who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting administration as stipulated by this agreement.
16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.
17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.
18. "The Registry" or "Jersey City Employment Registry" means a data base maintained by the City or its designee, of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose: Construction Jobs, Business Contracting, Permanent Jobs

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

Because this project is not subject to the terms of a Project Labor Agreement during construction, this agreement shall apply to all Construction Jobs, Business Contracts and non-construction Permanent Jobs. Recipients are also required to notify any commercial tenants of employment services available from the City.

III. Recipient Designee:

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient shall send a letter designating its "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix 1. This Officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix 2.

IV. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance ____ approving the tax exemption and terminate 5 years from the date of Substantial Completion of the Project.

V. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient shall only be required to submit the periodic certified manning and certified payroll reports described below to confirm ongoing compliance. All other Recipients must comply with the following Good Faith goals.

1. **Employment (Construction and Permanent Jobs):** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-

Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.

2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

VI. Good Faith Defined. Construction Jobs:

1. **Construction Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Initial Manning Report:

- i) Prior to the commencement of their work on the Project, each Contractor /Subcontractor shall prepare an Initial Manning Report.
- ii) The Initial Manning Report should contain an estimate of the total hours in each construction trade or craft and the number of hours to be worked by City residents, including a list of the number of minority residents and women residents that will work in each trade or craft, including the work hours to be performed by such employees of any and all Contractors and Subcontractors. Attached hereto as Appendix B is the Recipient's Initial Manning Report.
- iii) The Initial Manning Report shall be filed with the Project Employment and Contracting Monitor, who must accept said Report prior to the Recipient entering into any construction contract. An example of this acceptance letter is given in Appendix C.

B. Developer's Contracting Obligations

- i) Once the developer submits the project's initial manning report, he/she must forward a letter with requests for quotation or bid to Mayor Steven M. Fulop's Business Cooperative Program for local and minority vendors for any construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Appendix D.
- ii) The developer shall make a good faith effort to contact those businesses and individuals who submit bids. This effort must be documented by letter, which will be sent to Mayor Steven M. Fulop's Business Cooperative Program at DEO under the Department of Administration. An example of this letter can be found in Appendix D2.

C. Contractor's/Subcontractor's Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Appendix E.

D. Union Statement of Using Its Best Efforts

- i) Prior to commencement of their work on the Project, the contractor/subcontractor must submit a statement expressing its adherence to the Project Employment & Contracting Agreement to each union with which he/she has a collective bargaining agreement covering workers to be employed on the project.
- ii) The Compliance Statement shall include a union statement for the particular union to sign, which claims the union will use its best efforts to comply with the employment goals articulated in the Project Employment & Contracting agreement. This compliance statement is detailed in Appendix F. A copy of the signed compliance statement must be sent to the Project Employment & Contracting Monitor in DEO under the Department of Administration before work starts in order for a developer to be in compliance.
- iii) The Recipient will require the Contractor or Subcontractor to promptly notify the City of any refusal or failure of a union to sign the statement. If a particular union refuses to sign a statement, the Recipient will document its efforts to obtain such statement and the reasons given by the union for not signing such statement, and submit such documentation to the Project Employment & Contracting Monitor in DEO under the Department of Administration.

E. Sub-Contractors

The developer shall require that each prime contractor be responsible for the compliance of his/her subcontractors with the aforementioned Project Employment & Contracting requirements during the performance of the contract. Whenever the contractor sub-contracts a portion of the work on the project, the contractor shall bind the subcontractor to the obligations contained in these supplemental conditions to the full extent as if he/she were the contractor.

F. Union Apprentices

The contractor is responsible for assuring that resident and minority apprentices account for at least fifty (50%) percent of the total hours worked by union apprentices on the job in each trade listed in which apprentices are employed, according to the apprentice-to-journey-worker ratio contained in the collective bargaining agreement between the various unions, and shall hold each of his/her subcontractors to this requirement. The Recipient will require the contractor or subcontractor to promptly notify the City of any refusal of a union to utilize resident and minority apprentices.

G. Monthly Manning Report

- i) The Recipient will cause the Contractor to complete and submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.
- ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked by City residents, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each

of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.

- iii) The Recipient is responsible for maintaining or causing the Contractor to maintain records supporting the reported work hours of its Contractors or Subcontractors.

H. Monthly Certified Payroll Report

- i) The Recipient will cause the Contractor to furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the form attached hereto as Appendix H.
- ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

I. Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will request copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit. These reports will be forwarded to the Project Employment & Contracting Monitor within one month of the signing of the Project Employment & Contracting Agreement.

J. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

K. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

L. Work Site Access For Monitor

- i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Appendix I.
- ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple

locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

VII. Good Faith Defined. Permanent Jobs:

1. **Permanent Jobs:** Good Faith shall mean compliance with all of the following conditions:
 - A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will meet with the Coordinator, including the director of JCETP to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:
 - i) whether subcontractors will be used in the hiring process.
 - ii) the specific types of jobs that need to be filled.
 - iii) the qualifications needed for these particular jobs.
 - iv) possible training programs offered by the permanent employer.
 - v) the Recipient's goals and how it plans to meet these goals.
 - vi) any other issues which need to be addressed.
 - B. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix 3.
 - C. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 1.A.(i)-(vi) and notify the City.
 - D. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors.
 - E. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix 4.
 - F. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCETP with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.

- G. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- H. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- I. Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
- J. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- K. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
- L. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- M. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

VIII. Good Faith Defined. Business Contracts

- A. Good Faith shall mean compliance with all of the following conditions:
 - i) Solicitation of Businesses:
 - a) One month before the solicitation for any goods or services, the Recipient must forward a letter with a description of the goods or services to the Project Employment and Contracting Coordinator;
 - b) The Recipient shall provide the City with a written Purchasing Report every month. The form of this report shall be in substantially the form found in Appendix 6.

- c) Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- d) Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- e) Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- f) Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
- g) Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- h) Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
- i) Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- j) Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

B. The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by Project Employment and Contracting Monitor of a Recipient, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

IX. Good Faith Defined. Commercial Tenants at the Project Site

Good Faith shall mean compliance with all of the following conditions:

- A. The Recipient shall send all tenants of commercial space, including retail space, within the Project Site a Tenant Employment Services Guide in the form attached as Appendix 7.
- B. The Recipient shall require tenants of commercial, including any retail space to complete an annual questionnaire concerning the composition of the work force of each tenant. The completed questionnaire be submitted to the Project Employment & Contracting Monitor. The questionnaire shall be in the form attached as Appendix 8.
- C. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than December 1st of each year.

X. Notices of Violation:

- 1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have 7 days to correct the violation.
- 2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City the City shall issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation.
- 3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.
- 4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

If the City determines that the Recipient is in violation after the expiration of the cure periods, the Recipient agrees that the City shall be entitled to the liquidated damages provided below.

XI. Liquidated Damages:

- 1. While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any cure period, the City will be entitled to liquidated damages from the Recipient in the following amounts:

- A. Failure to file Initial Manning Report (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracts): an amount equal to Five percent (5%) increase in the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- B. Failure to conduct Pre-hiring Interviews or submit Compliance Statement (Submit description of goods or services, (Business Contracting): an amount equal to Three (3%) percent of the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- B. Failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Three (3%) percent increase service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- C. The use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Ten (10%) service charge as set forth in the Financial Agreement for each quarter or part thereof, the Recipient is non compliant.

XII. Notices

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

129 Brunswick Street, LLC
 276 Newark Avenue
 Jersey City, NJ 07302
 Att:

and

Connell Foley, LLP
 Harborside Financial Center
 2510 Plaza Five
 Jersey City, NJ 07311
 Attn: Charles Harrington, Esq.

2. When sent by the Recipient to the City, it shall be addressed to:

City of Jersey City
 Department of Administration
 Division of Economic Opportunity
 Project Employment & Contracting Monitor
 280 Grove Street
 Jersey City, New Jersey 07302
 Att: Division Director

and

Director of Jersey City Employment and Training Program, Inc
895 Bergen Avenue—2nd Floor
Jersey City, NJ 07306
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

XIII. Appendix

These forms are examples only and shall be in substantially the form on file in the Division of Economic Opportunity, subject to modifications from time to time by the City as necessary or appropriate.

1. Letter designating Recipient's Project Employment & Contracting Officer
2. Letter from Recipient to Employees of Recipient's Company
3. Acknowledgment of PECA compliance of Subcontractor
4. Example of Hiring Plan
5. Example of Monthly Employment Report
6. Example of Monthly Purchasing Report
7. Tenant Employment Services Guide
8. Commercial Retail Annual Questionnaire

XIV. Adoption, Approval, Modification:

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

XII. Controlling Regulations and Laws:

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

In the event there are any conflicts between this Agreement and any Project Labor Agreement, then as it pertains to construction jobs covered by the PLA, the Project Labor Agreement shall govern. Wherever possible, this Agreement shall be interpreted consistently with the Project Labor Agreement.

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

129 BRUNSWICK STREET, LLC

Secretary

President

City Clerk File No. Ord. 14.152

Agenda No. 3.J 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.152

TITLE: AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 16603, LOT 25, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 148 BELMONT AVENUE

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, the City of Jersey City as an area in need of rehabilitation, is authorized to adopt an ordinance to utilize tax exemptions pursuant to N.J.S.A. 40A:21-1, et seq., the Five (5) Year Exemption and Abatement Law; and

WHEREAS, pursuant to N.J.S.A. 40A:21-1 et seq., the City of Jersey City adopted Ordinance 05-060, Section 304-6 et seq. of the Municipal Code, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor to regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

WHEREAS, pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code, a tax exemption for the construction of a new four (4) story multiple dwelling residential building consisting of six (6) residential units and a parking garage for four (4) vehicles containing 648 square feet of parking space on the Property, is permitted for a period of five (5) years; and

WHEREAS, Srinan Properties, LLC [Entity], is the owner of Property designated as Block 16603, Lot 25, on the City's Tax Map and more commonly known by the street address of 148 Belmont Avenue, Jersey City, NJ; and

WHEREAS, the Entity has constructed a new four (4) story multiple dwelling residential building consisting of six (6) residential units and a parking garage for four (4) vehicles containing 648 square feet of parking space on the Property; and

WHEREAS, construction commenced on June 2009 and was substantially complete on August 22, 2014; and

WHEREAS, on or about June 11, 2014, the Entity filed an application for a five (5) year tax exemption in connection with the construction of a new multiple dwelling use Project, a copy of which application is attached hereto; and

WHEREAS, Srinan Properties, LLC, proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and are currently taxed at the sum of \$2,602) a tax payment for the new improvements on the property, as follows:

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 16603, LOT 25, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 148 BELMONT AVENUE

- (a) 2014: the tax year in which the structure will be completed. \$0 taxes due on improvements;
- (b) 2015: the second tax year, 20% of taxes otherwise due on improvements, estimated to be \$1,793;
- (c) 2016: the third tax year, 40% of taxes otherwise due on improvements, estimated to be \$3,586;
- (d) 2017: the fourth tax year, 60% of taxes otherwise due on improvements, estimated to be \$5,379; and
- (e) 2018: the fifth tax year, 80% of taxes otherwise due on improvements, estimated to be \$7,172;

WHEREAS, the Tax Assessor has determined that the new construction will generate an additional tax payment of \$2,602 for land and \$8,965 for improvements, for a total of \$11,567 a year; and

WHEREAS, the applicant has agreed that in the event the Citywide revaluation results in a decrease in the estimated amount of actual taxes otherwise due, then for purposes of calculating a tax payment hereunder and for the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes otherwise due; and

WHEREAS, the application for tax exemption was complete and timely filed; the application was approved by the Tax Assessor and the residential Project is eligible for tax exemption pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code; and

WHEREAS, upon the expiration of the tax exemption, the total assessment, including both land and improvements, will generate a total tax payment of \$11,567; and

WHEREAS, Srinan Properties, LLC, has agreed to pay the sum of \$9,972 to the City's Affordable Housing Trust Fund, which shall be paid in intervals set forth in Section 304-28 of the Municipal Code.

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

1. The application, attached hereto, for a five (5) year tax exemption for the full and true value of a new four (4) story multiple dwelling residential building consisting of six (6) residential units and a parking garage for four (4) vehicles containing 648 square feet of parking space, located in Block 16603, Lot 25, and more commonly known by the street address of 148 Belmont Avenue, Jersey City, N.J., is hereby approved.

2. The Mayor or Business Administrator is hereby authorized to execute a tax exemption agreement which shall contain at a minimum, the following terms and conditions:

- (a) tax payment on the new improvements shall be:
 - (i) Year 1: the tax year in which the structure will be completed. \$0 taxes;

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 16603, LOT 25, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 148 BELMONT AVENUE

- (ii) Year 2: the second tax year, 20% of taxes otherwise due on improvements, estimated to be \$1,793;
- (iii) Year 3: the third tax year, 40% of taxes otherwise due on improvements, estimated to be \$3,586;
- (iv) Year 4: the fourth tax year, 60% of taxes otherwise due on improvements, estimated to be \$5,379; and
- (v) Year 5: the fifth tax year, 80% of taxes otherwise due on improvements, estimated to be \$7,172.

The applicant has agreed that in the event the Citywide revaluation results in a decrease in the amount of actual taxes otherwise due for purposes of calculating a tax payment hereunder; during this five (5) year period, the amount due hereunder shall be calculated on the higher of the amount estimated above or the actual taxes due after the revaluation; and

(b) The project shall be subject to all federal, state and local laws, and regulations on pollution control, worker safety, discrimination in employment, zoning, planning, and building code requirements pursuant to N.J.S.A. 40A:21-11(b).

(c) If, during any tax year prior to the termination of the tax agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying, then the tax which would have otherwise been payable for each tax year shall become due and payable from the property owner as if no exemption and abatement had been granted. The collector forthwith ad the tax collector shall, within 15 days thereof, notify the owner of the property of the amount of taxes due.

(d) With respect to the disposal of the property, where it is determined that the new owner of the property will continue to use the property pursuant to the conditions which qualified the property, no tax shall be due, the exemption shall continue, and the agreement shall remain in effect.

(e) At the termination of a tax exemption agreement, the new improvements shall be subject to all applicable real property taxes as provided by State law and regulation and local ordinance; but nothing herein shall prohibit a project, at the termination of an agreement, from qualifying for, an receiving the full benefits of, any other tax preferences provided by law.

(f) Affordable Housing Trust Fund: \$1,500 per unit x 6 units or \$9,000 and \$1.50 per square foot x 648 square feet of parking spaces or \$972, for a total of \$9,972.

- 3. An obligation to execute a Project Employment and Contracting Agreement to insure employment and other economic benefits to City residents and businesses.
- 4. The form of tax exemption agreement is attached hereto as Exhibit B, subject to such modification as the Corporation counsel or Business Administrator deems necessary.
- 6. The Tax Assessor shall send a copy of the fully executed Financial Agreement will be sent to the Director of the Division of Local Government Services in the Department of Community Affairs within thirty (30) days of execution pursuant to N.J.S.A. 40a:21-11(d).

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 16603, LOT 25, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 148 BELMONT AVENUE

A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.

B. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.

C. This ordinance shall take effect at the time and in the manner provided by law.

D. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All material is new; therefore underlining has been omitted.
For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

JM/he
11/03/14

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

An Ordinance Approving A Five (5) Year Tax Exemption for a Market Rate Residential Rental Project to be Constructed by Srinan Properties, LLC, Under the Short-Term Tax Exemption Law N.J.S.A. 40A:21-1 et. seq. Designated as Block 16603 Lot 25 on the City's Tax Map and known as 148 Belmont Avenue

Initiator

Department/Division	Mayor's Office	
Name/Title	Brian Platt	
Phone/email	(201) 547-5200	bplatt@jcnj.org

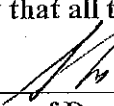
Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

Construction is complete on the project, a market rate rental project consisting of one four (4) story building with Six (6) residential units and four (4) on site parking spots.

Tax exemptions encourage construction by offering financial incentives of development to projects within the City. LLC Srinan Properties, LLC has applied for a five (5) year tax exemption.

I certify that all the facts presented herein are accurate.



Signature of Department Director

11/5/14

Date

DRAFT

DATE: October 16, 2014

TO: Diana Jeffrey (For distribution to City Council and City Clerk)

FROM: Al Cameron Tax Collector's Office

SUBJECT: FIVE-YEAR TAX ABATEMENT: SRINAN PROPERTIES, LLC,
Block 16603, Lot 25

CC: M. Cosgrove, E. Bjora, J. Monahan, E. Toloza, B. Platt, H. Espinal, G. Corrado,
R. Byrne.

INTRODUCTION

The applicant, Srinan Properties, LLC, is applying for a five (5) Year tax abatement for a six (6) unit market rate residential rental project under N.J.S.A. 40 A: 21-1 et seq. The fee of \$1,200 was paid with the application.

LOCATION OF THE PROPERTY:

The property is located at 148 Belmont Avenue near the North West corner of Belmont and Bergen Avenues. It is Block 16603 Lot 25 on the Jersey City Tax Map. The property is approximately 4,090 square feet.

PROPERTY TO BE CONSTRUCTED

The project is a four (4) story six (6) unit market rate rental residential building with a parking garage for four (4) vehicles.

TOTAL CONSTRUCTION COST:

The cost of construction is certified by the architect, Luis Garcia, at \$415,000.

CONSTRUCTION SCHEDULE:

The applicant received building permits and began construction prior the change in the ordinance requiring a five-year abatement application be submitted before the start of construction. The project is complete and a Certificate of Occupancy was issued on August 22, 2014.

ESTIMATED JOBS CREATED:

The applicant estimates Twenty-five (25) jobs were created during Construction and two (2) part-time jobs after construction.

DRAFT

AFFORDABLE HOUSING TRUST FUND CONTRIBUTION:

The applicant proposes an AHTF Contribution. At the rate of \$1,500 per residential unit, and \$1.50 per square foot of parking space the total is \$9,972. Since permits and a Certificate of Occupancy have been issued the full amount is due is due with the execution of the Financial (Tax) Agreement.

CURRENT REAL ESTATE TAXES:

The assessment provided by the Tax Assessor for the land is \$35,000 and the newly constructed building is \$120,600. Based upon that assessment at the current rate of \$74.34 the tax for the land is \$2,602. The full tax on the improvements at current the rate is \$8,965. There is a slight difference between the applicant's calculations and the Assessor's. The effect is minimal. On the schedule below the Assessor's assessment is used and the Current tax rate used is \$74.34 with a two percent (2%) increase annually in the tax rate.

See attached phase-in schedule below:

PROPOSED ABATEMENT:

The applicant has requested a term of five (5) years for the abatement on the improvements. The Applicant will pay the full tax for the land tax in each and every year of the abatement and has proposed a phase-in of the assessment on improvements. In year one (1) the applicant proposes no taxes on improvements. In year two (2) the applicant would pay taxes on twenty percent (20%) of the improvements. The applicant would pay forty percent (40%) in year three (3), sixty percent (60%) in year four (4), Eighty percent (80%) in year five (5) and full taxes in year six (6).

PROPOSED REVENUE TO THE CITY:

The phase-in of taxes on improvements is shown in the table below.

The total taxes projected for the five-year term of the abatement are \$60,196.71. The total taxes exempted for the term are \$27,624.29. The Tax Assessor estimated the final assessment based upon information provided by the Applicant. They reflect an estimated annual tax increase of two percent (2%) during the period.

FISCAL IMPACT COST PROJECTION (SRINAN PROPERTIES - TIER 1 - 5 YEAR)

Block: 16603 Lot: 25 Loc: 148 BELMONT AVE

Market Rate Rental Units with Parking		Demographic Multipliers (Transit Oriented Development)*				Annual Expenditures		Total Annual Expenditures		
Planned Development	Number of Units	Household	Students	Residents	Students	Per Capita Municipal	Per Pupil Per School District	Municipal	School District	Total
1 Bedroom	3	1.421	0.050	4.26	0.15	\$1,163.68	\$3,445.00	\$4,960.77	\$516.75	\$5,477.52
2 Bedroom	3	2.012	0.120	6.04	0.36	\$1,163.68	\$3,445.00	\$7,023.98	\$1,240.20	\$8,264.18
TOTAL	6			10.30	0.51			\$11,984.76	\$1,756.95	\$13,741.71

1. Total Municipal Ratables	\$6,916,171,471	4. Fiscal Year 2014 Budget	\$516,641,147	6. Population of Jersey City (2010 Census)	247,597	9. Increase in Services Incurred Per Development	\$ 13,741.71
2. Residential Ratables	\$3,299,371,882			7. Per Capita Municipal Cost	\$1,163.68	10. Anticipated Taxes (Assuming 74.34 Rate w/ 2% Annual Increase)	
Commercial Ratables	\$1,439,637,425			8. Annual Expenditures Per Student**	\$3,445.00	1st Year \$	2,601.90
3. Residential Ratables as a Percentage of Total Ratables	55.77%	5. Residential Portion	\$288,124,048			2nd Year \$	4,482.88
						3rd Year \$	6,438.06
						4th Year \$	8,469.65
						5th Year \$	10,579.93
						11. Implied Cost/Surplus	
						1st Year \$	11,139.81
						2nd Year \$	9,258.83
						3rd Year \$	7,303.65
						4th Year \$	5,272.06
						5th Year \$	3,161.78

Classic Average costing approach for projecting the impact of population change and local Municipal and School District costs

*Source: New Jersey Demographic Multipliers: Profile of the Occupants of Residential and Nonresidential Development; Listokin, November 2006

**Source: 2014-2015 Jersey City Municipal Cost Per Pupil

SRINAN PROPERTIES, LLC
FISCAL PLAN
ESTIMATED TAX COMPUTATION FOR YEAR 2015

Equalization Ratio: 31.24%
Tax rate (per thousand): \$74.35

Current Assessment:
Land: \$ 35,000
Improvement: \$ -
Total: \$ 35,000

Potential Income:

		<u>#</u>
Units:	1 BR	1
	2 BR	4
	3 BR	1
		<u>6</u>

Total:
Annual:

\$ 9,600
\$ 50,400

Per unit per month:	Total per month:
---------------------	------------------

\$ 800	\$ 800
\$ 1,050	\$ 4,200
\$ 1,200	\$ 1,200

\$ 6,200

Total Gross Income: \$ 60,000

Less: Vacancy and Collection Loss 5% 3,000.00

Effective Gross Income: 57,000.00

Operating Expenses:

Common Area Utilities / Water / Sewer	\$ 2,400
Common Area Cleaning / Maintenance	\$ 1,200
Repairs and Maintenance	\$ 2,400
Fire Alarm Maintenance	\$ 600
Management Office Exp.	\$ 1,500
Insurance	\$ 2,600

Total Operating Expenses: \$ 10,700

Projected Net Operating Income: 46,300.00

Cap Rate: 10% 0.1

Projected Market Value: \$ 463,000

Assessment: \$ 144,641

Ratio: 0.3124

Estimated Annual Real Estate Taxes: \$ 10,754

Tax rate: 0.07435

Less: Taxes Attributable to the Land \$ 2,602

Taxes attributable to Improvements: \$ 8,152

CURRENT ESTIMATED TAX PAYMENTS FOR FIVE YEAR TERM OF EXEMPTION
Based on 2014 Tax Rate and Equalization Ratio

Year	1	2	3	4	5	Total
Projected Tax Rate	\$ 74.35	\$ 74.35	\$ 74.35	\$ 74.35	\$ 74.35	
Total Tax	\$ 10,754	\$ 10,754	\$ 10,754	\$ 10,754	\$ 10,754	\$ 53,770
Land Tax	\$ 2,602	\$ 2,602	\$ 2,602	\$ 2,602	\$ 2,602	\$ 13,011
Tax on Improvements	\$ 8,152	\$ 8,152	\$ 8,152	\$ 8,152	\$ 8,152	\$ 40,759
Statutory Phase In	0%	20%	40%	60%	80%	
Improvement Tax	\$ -	\$ 1,630	\$ 3,261	\$ 4,891	\$ 6,521	\$ 16,304
Exempted Tax	\$ 8,152	\$ 6,521	\$ 4,891	\$ 3,261	\$ 1,630	\$ 24,455
Total Taxes Payable	\$ 2,602	\$ 4,233	\$ 5,863	\$ 7,493	\$ 9,124	\$ 29,315

In lieu tax schedule pursuant to a five year phase in percentages on the new improvement on the above application:

1. In the first full year after completion, land tax only, no payment in lieu of taxes.
2. In the second full year, an amount not less than twenty percent (20%) of the actual taxes otherwise due, currently estimated at: \$ 1,630
3. In the second full year, an amount not less than forty percent (40%) of the actual taxes otherwise due, currently estimated at: \$ 3,261
4. In the second full year, an amount not less than sixty percent (60%) of the actual taxes otherwise due, currently estimated at: \$ 4,891
5. In the second full year, an amount not less than eighty percent (80%) of the actual taxes otherwise due, currently estimated at: \$ 6,521

At the expiration of the abatement, the Project's new improvements would generate an estimated annual tax of: \$ 8,152

And a total tax revenue (with the land tax) of : \$ 10,754

**SRINAN PROPERTIES, LLC
BLOCK 16603 Lot 25
148 Belmont Ave**

Block	Lot		Existing Assessments	New Assessments	Phase -In Assessment
16603	25	Land	35000	35000	0
		Bldg	0	120600	120600
		Total	35000	155600	120600

**In-Lieu of Full Property Tax Payments An Amount
Equal To A Percentage Of Taxes Otherwise Due,
According To The Following Schedule:
(NJSA 40A:21-10)**

Stages	Year	Phase-In Rate	Description	Land	Bldg (Phased-In)	Total
1	2015	0	Land Only	2,613.10	-	2,613.10
2	2016	20%	Land & Bldg	2,613.10	1,800.80	4,413.90
3	2017	40%	Land & Bldg.	2,613.10	3,601.60	6,214.70
4	2016	60%	Land & Building	2,613.10	5,402.40	8,015.50
5	2017	80%	Land & Building	2,613.10	7,203.20	9,816.30
		100%	Land & Building	2,613.10	9,004.00	11,617.10

Ed Toloza
City Assessor
#####

EXHIBIT C
SRINAN PROPERTIES, LLC

Estimated Cost of Project Construction

The Estimated Cost per N.J.S.A. 40A:21-3(j) is as follows:

"Cost" per Definition:*

Direct Labor & Materials (includes Contractor's Fees)	\$408,000
Architectural	\$ 5,000
Engineering	\$ 2,000
Estimated Cost:	<u>\$415,000</u>

*Pursuant to N.J.S.A. 40A:21-3(j), estimated "cost" does not include land costs, soft costs (other than architectural and engineering costs), and financing costs. This estimated "cost" differs from the total project cost calculation required under the Long Term Tax Exemption Law, pursuant to N.J.S.A. 40A:20-3(h).

EXHIBIT C-1

SRINAN PROPERTIES, LLC

Certification of Estimated Construction Costs

On this 14th day of July 2014, the undersigned being the architect for the Project to be developed by Srinan Properties, LLC does hereby certify to the best of my knowledge and belief that Exhibit C accurately reflects the estimated actual construction costs of the Project proposed on Block 16603, Lot 25 (formerly Block 1819, Lot A.3), more commonly referred to as 148 Belmont Avenue, Jersey City, New Jersey.

Witnessed:

By: _____

By: _____

Name: Luis Garcia

Title: Architect

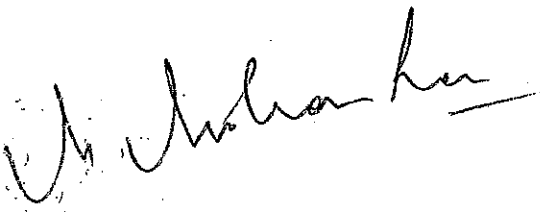

MOHAN MYNENI
Notary Public of New Jersey
My Commission Expires Oct. 19, 2014

EXHIBIT E

SRINAN PROPERTIES, LLC

Disclosure Statement

NAME OF ENTITY: Srinan Properties, LLC

NAME OF PROJECT: 148 Belmont Avenue
Block 16603, Lot 25
(formerly Block 1819, Lot A.3)
Jersey City, New Jersey

PRINCIPAL OFFICE: 682 Route 440
Jersey City, New Jersey 07304

NAME OF REGISTERED AGENT:

ADDRESS:

I CERTIFY THAT THE FOLLOWING LIST REPRESENTS THE NAMES OF ALL MEMBERS OWNING A 10% OR GREATER INTEREST IN THE ABOVE ENTITY (IF ONE OR MORE OF THE BELOW NAMED IS ITSELF AN ENTITY, THE NAMES OF ANY ENTITY OWING A 10% OR GREATER INTEREST THEREIN IS ALSO IDENTIFIED)

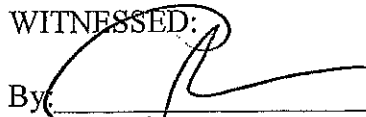
NAME	ADDRESS	PERCENT OWNED
Srinath Myneni	49 Highwood Road West Orange, New Jersey 07052	50%
Nandane Myneni	49 Highwood Road West Orange, New Jersey 07052	50%

I FURTHER CERTIFY THAT THE FOREGOING STATEMENTS MADE BY ME ARE TRUE. I AM AWARE THAT IF ANY OF THE FOREGOING STATEMENTS MADE BY ME ARE WILLFULLY FALSE, I AM SUBJECT TO PUNISHMENT.

WITNESSED:

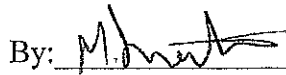
By:

Name:


CHARLES HARRINGTON

SRINAN PROPERTIES, LLC

By:


Name: Srinath Myneni, Managing Member

TIER ONE (5 YEAR)
11-03-14
NJSA 40A:21-1 et seq
(Multiple Dwelling, Industrial, Commercial)

TAX AGREEMENT
FIVE YEAR/NEW CONSTRUCTION

THIS AGREEMENT made on this _____ day of _____, 2014, by and between the **CITY OF JERSEY CITY** [City], a municipal corporation organized under the Laws of the State of New Jersey and having its principal place of business at 280 Grove Street, Jersey City, New Jersey 07302, and, **SRINAN PROPERTIES, LLC** [Applicant/Owner], whose principal place of business is 682 Route 440, Jersey City, NJ 07304.

WITNESSETH:

WHEREAS, the Municipal Council has indicated by its intention to utilize the five year tax exemption provisions authorized by Article VIII, Section I, paragraph VI of the NJ State Constitution and the Five Year Exemption Law, N.J.S.A. 40A:21-1 et seq. for improvements and projects by the adoption of Ordinance 05-060, as amended by Ordinance 07-146; and

WHEREAS, the Applicant is owner of certain property located at 148 Belmont Avenue, in the City of Jersey City, County of Hudson and State of New Jersey, designated as Block 16603, Lot 25 on the Tax Assessor's Map, more commonly known by the street address of 148 Belmont Avenue, and more particularly described in the metes and bounds description attached hereto as Exhibit A [Property];

WHEREAS, on or about June 11, 2014, the Applicant applied for a five year tax exemption in connection with the construction of a new Multiple Dwelling four (4) story residential building consisting of six (6) residential units and a parking garage for four (4) vehicles containing 648 square feet of parking space on the Property [Improvements] pursuant to N.J.S.A. 40A:21-1 et seq and Section 304-12 of the Municipal Code [Law]; and

WHEREAS, the City has reviewed the application, approved the construction of the Improvements and authorized the execution of a Tax Exemption Agreement by the adoption of Ordinance _____ on _____.

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and covenants hereinafter contained, the parties hereto agree as follows:

ARTICLE I: APPROVAL OF TAX EXEMPTION

The City hereby agrees to a tax exemption for the construction of a new Multiple Dwelling four (4) story residential building consisting of six (6) residential units and a parking garage for four (4) vehicles containing 648 square feet of parking space on the Property [Improvements] on the Property, as further described in the Application, attached hereto as Exhibit B, pursuant to the provisions of N.J.S.A. 40A:21-1 et seq. and Ordinance _____ which authorized the execution of this Tax Agreement [Law], subject to the terms and conditions hereof.

ARTICLE II: IN LIEU OF TAX PAYMENTS

The Applicant agrees to make estimated payments on the new Improvements, (separate and apart from taxes on the land and existing improvements which shall continue to be subject to conventional assessment and taxation and for which the Applicant shall receive no credit against the in lieu of tax payment) in lieu of full property tax payments according to the following schedule:

1. For the full calendar of Year 1, no payment in lieu of taxes;
2. For the full calendar of Year 2, twenty (20%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$1,793;
3. For the full calendar of Year 3, forty (40%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$3,586;
4. For the full calendar of Year 4, sixty (60%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$5,379; and
5. For the full calendar of Year 5, eighty (80%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$7,172.

In the event a City-wide revaluation results in decrease in the amount of taxes otherwise due, payment hereunder shall be the higher of either the taxes estimated above or the amount of actual taxes after the City-wide revaluation.

ARTICLE III: APPLICATION FEE

The Applicant has paid the sum of **\$1,200** to the City as an application fee. Failure to make such payment shall cause the tax exemption to terminate.

ARTICLES IV: FEDERAL, STATE AND LOCAL LAW

The construction of the Improvements is subject to all applicable federal, State and local laws and regulations on pollution control, worker safety, discrimination in employment, housing provision, zoning, planning and building code requirements.

ARTICLE V: TERM OF EXEMPTION

The Tax Exemption granted shall be valid and effective for a period of five (5) full calendar years from the date of Substantial Completion of the Project, which shall ordinarily mean the date on which the City issues, or the Project is eligible to receive, a Certificate of Occupancy, whether temporary or final, for part or the whole of the Project. During the term of the tax exemption, the Applicant shall make an in lieu of tax payment to the City in accordance with the schedule set forth above. Prior to the commencement of the tax exemption, and upon expiration thereof, the Applicant shall pay full conventional taxes on the Improvements.

ARTICLE VI: REVALUE

The applicant has agreed that in the event the revalue results in a decrease in the amount of actual taxes otherwise due, for purposes of calculating a tax payment hereunder during the five

(5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes.

ARTICLE VII: NO COUNTY EQUALIZATION AND SCHOOL AID

Pursuant to N.J.S.A. 40A:21-11(c), the percentage, which the payment in lieu of taxes for the tax exempt property bears to the property tax which would have been paid had an exemption not been granted for the property under this Agreement, shall not be applied to the valuation of the property to determine the reduced valuation of the property to be included in the valuation of the City for determining equalization for county tax apportionment and school aid, during the term of the tax exemption agreement covering this property. At the expiration or termination of this Agreement, the reduced valuation procedure required under the Law shall no longer apply.

ARTICLE VIII: OPERATION OR DISPOSITION OF PROPERTY

If during any year prior to the termination of this Agreement, the Applicant ceases to operate or disposes of the Property, or fails to meet the conditions for qualifying for tax exemption under this Agreement or pursuant to Law, then the tax which would have otherwise been payable for each and every year, shall become due and payable from the Applicant as if no exemption had been granted. The Tax Collector shall, within 15 days thereof, notify the owner of the Property of the amount of taxes due.

However, with respect to the disposal of the property, if it is determined that the new owner will continue to use the property pursuant to the conditions which qualify the property for exemption, the tax exemption shall continue and this Agreement shall remain in full force and effect.

ARTICLE IX: AFFORDABLE HOUSING TRUST FUND CONTRIBUTION REQUIRED

A. **Contribution.** The Entity will pay the City the sum of \$9,972 or [\$1,500 per unit x 6 units and \$1.50 per square foot x 648 square feet of parking spaces] as a contribution. The sum shall be due and payable as follows:

- i. 1/3 on or before the effective adoption date of the Ordinance approving the tax exemption;
- ii. 1/3 on or before the issuance of the first of any construction permit for the Project, but no later than six months after the date of the Tax Agreement; and
- iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Tax Agreement.

ARTICLE X: TERMINATION/ELIGIBILITY FOR ADDITIONAL TAX EXEMPTION

Upon the termination of this Agreement for tax exemption, the Project shall be subject to all applicable real property taxes as provided by State Laws and Regulations and City Ordinances. However, nothing herein shall be deemed to prohibit the Project, at the termination of this Agreement, from qualifying for and receiving the full benefits of any other tax preferences

allowed by law. Furthermore, nothing herein shall prohibit the Applicant from exercising any rights under any other tax provisions of State law or City Ordinances.

In the event the owner elects to terminate this tax abatement after the revalue, the owner shall pay the City the difference of 100% of the full amount of the taxes otherwise due from the 1st year of this agreement to the date of termination.

ARTICLE XI: PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

In order to provide City residents and businesses with employment and other economic opportunities, the Applicant agrees to comply with the terms and conditions of the Project Employment & Contracting Agreement which is attached hereto as Exhibit C.

ARTICLE XIII: NOTICES

All notices to be given with respect to this Agreement shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid, return receipt requested, to the party to be notified at the addresses set forth below or at such other address as either party may from time to time designate in writing:

Notice to City:

Business Administrator
City Hall, 280 Grove Street
Jersey City, New Jersey 07302

Notice to Applicant:

Srinan Properties, LLC
682 Route 440
Jersey City, NJ 07304

With a copy to:

Connell Foley, LLP
Harborside Financial Center
2510 Plaza Five
Jersey City, NJ 07311
Attn: Charles Harrington, Esq.

ARTICLE XIV: GENERAL PROVISIONS

This Agreement contains the entire Agreement between the parties and cannot be amended, changed or modified except by written instrument executed by the parties hereto.

In the event that any provisions or term of this Agreement shall be held invalid or unenforceable by a Court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof; provided, however, that the City continues to receive the full benefit of any economic term hereunder.

This Agreement shall be governed by and construed in accordance with the Laws of the State of New Jersey.

This agreement may be executed in several counterparts, each of which shall constitute but one and the same instrument.

Robert Byrne
City Clerk

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ____ day of ____, 2014, between the **CITY OF JERSEY CITY** [City] having its principal office at 280 Grove Street, Jersey City, NJ 07302, and **SRINAN PROPERTIES, LLC** [Recipient], having its principal office at 682 Route 440, Jersey City, NJ 07304.

I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into an agreement with the City to implement, in whole or in part, this agreement.
2. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
3. Construction Contract means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway or other improvement on a Project Site.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or tax exemption for a property or project which requires approval of the Municipal Council.
6. "Employment" includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. Jersey City Employment and Training Corporation or "JCEPT" means the non-profit quasi public Entity with whom the City has an operating agreement to undertake certain employment services.
8. "Local Business" means a bona fide business located in Jersey City.
9. "Minority" means a person who is defined as such under federal or state law.
10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.

11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor and Workforce Development, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.
12. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
13. "Project or Project Site" means the specific work location or locations specified in the contract.
14. The "Project Employment & Contracting Coordinator" or "Coordinator" is the employee in the Department of Administration presently, the Executive Director of the Jersey City Employment & Training Program, Inc., who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Coordinator. The Coordinator may refer a developer to the JCEPT or its one-stop career center so long as the City and JCEPT agreement is in full force and effect.
15. The "Project Employment & Contracting Monitor" or "Monitor" is the employee in the Department of Administration who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting administration as stipulated by this agreement.
16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.
17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.
18. "The Registry" or "Jersey City Employment Registry" means a data base maintained by the City or its designee, of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose: Construction Jobs, Business Contracting, Permanent Jobs

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

Because this project is not subject to the terms of a Project Labor Agreement during construction, this agreement shall apply to all Construction Jobs, Business Contracts and non-construction Permanent Jobs. Recipients are also required to notify any commercial tenants of employment services available from the City.

III. Recipient Designee:

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient shall send a letter designating its "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix 1. This Officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix 2.

IV. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance ____ approving the tax exemption and terminate 5 years from the date of Substantial Completion of the Project.

V. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient shall only be required to submit the periodic certified manning and certified payroll reports described below to confirm ongoing compliance. All other Recipients must comply with the following Good Faith goals.

1. **Employment (Construction and Permanent Jobs):** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-

Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.

2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

VI. Good Faith Defined. Construction Jobs:

1. **Construction Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Initial Manning Report:

- i) Prior to the commencement of their work on the Project, each Contractor /Subcontractor shall prepare an Initial Manning Report.
- ii) The Initial Manning Report should contain an estimate of the total hours in each construction trade or craft and the number of hours to be worked by City residents, including a list of the number of minority residents and women residents that will work in each trade or craft, including the work hours to be performed by such employees of any and all Contractors and Subcontractors. Attached hereto as Appendix B is the Recipient's Initial Manning Report.
- iii) The Initial Manning Report shall be filed with the Project Employment and Contracting Monitor, who must accept said Report prior to the Recipient entering into any construction contract. An example of this acceptance letter is given in Appendix C.

B. Developer's Contracting Obligations

- i) Once the developer submits the project's initial manning report, he/she must forward a letter with requests for quotation or bid to Mayor Steven M. Fulop's Business Cooperative Program for local and minority vendors for any construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Appendix D.
- ii) The developer shall make a good faith effort to contact those businesses and individuals who submit bids. This effort must be documented by letter, which will be sent to Mayor Steven M. Fulop's Business Cooperative Program at DEO under the Department of Administration. An example of this letter can be found in Appendix D2.

C. Contractor's/Subcontractor's Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Appendix E.

D. Union Statement of Using Its Best Efforts

- i) Prior to commencement of their work on the Project, the contractor/subcontractor must submit a statement expressing its adherence to the Project Employment & Contracting Agreement to each union with which he/she has a collective bargaining agreement covering workers to be employed on the project.
- ii) The Compliance Statement shall include a union statement for the particular union to sign, which claims the union will use its best efforts to comply with the employment goals articulated in the Project Employment & Contracting agreement. This compliance statement is detailed in Appendix F. A copy of the signed compliance statement must be sent to the Project Employment & Contracting Monitor in DEO under the Department of Administration before work starts in order for a developer to be in compliance.
- iii) The Recipient will require the Contractor or Subcontractor to promptly notify the City of any refusal or failure of a union to sign the statement. If a particular union refuses to sign a statement, the Recipient will document its efforts to obtain such statement and the reasons given by the union for not signing such statement, and submit such documentation to the Project Employment & Contracting Monitor in DEO under the Department of Administration.

E. Sub-Contractors

The developer shall require that each prime contractor be responsible for the compliance of his/her subcontractors with the aforementioned Project Employment & Contracting requirements during the performance of the contract. Whenever the contractor sub-contracts a portion of the work on the project, the contractor shall bind the subcontractor to the obligations contained in these supplemental conditions to the full extent as if he/she were the contractor.

F. Union Apprentices

The contractor is responsible for assuring that resident and minority apprentices account for at least fifty (50%) percent of the total hours worked by union apprentices on the job in each trade listed in which apprentices are employed, according to the apprentice-to-journey-worker ratio contained in the collective bargaining agreement between the various unions, and shall hold each of his/her subcontractors to this requirement. The Recipient will require the contractor or subcontractor to promptly notify the City of any refusal of a union to utilize resident and minority apprentices.

G. Monthly Manning Report

- i) The Recipient will cause the Contractor to complete and submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.
- ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked by City residents, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each

of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.

- iii) The Recipient is responsible for maintaining or causing the Contractor to maintain records supporting the reported work hours of its Contractors or Subcontractors.

H. Monthly Certified Payroll Report

- i) The Recipient will cause the Contractor to furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the form attached hereto as Appendix H.
- ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

I. Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will request copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit. These reports will be forwarded to the Project Employment & Contracting Monitor within one month of the signing of the Project Employment & Contracting Agreement.

J. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

K. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

L. Work Site Access For Monitor

- i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Appendix I.
- ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple

locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

VII. Good Faith Defined. Permanent Jobs:

1. **Permanent Jobs:** Good Faith shall mean compliance with all of the following conditions:
 - A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will meet with the Coordinator, including the director of JCETP to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:
 - i) whether subcontractors will be used in the hiring process.
 - ii) the specific types of jobs that need to be filled.
 - iii) the qualifications needed for these particular jobs.
 - iv) possible training programs offered by the permanent employer.
 - v) the Recipient's goals and how it plans to meet these goals.
 - vi) any other issues which need to be addressed.
 - B. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix 3.
 - C. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 1.A.(i)-(vi) and notify the City.
 - D. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors.
 - E. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix 4.
 - F. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCETP with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.

- G. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- H. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- I. Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
- J. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- K. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
- L. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- M. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

VIII. **Good Faith Defined. Business Contracts**

A. Good Faith shall mean compliance with all of the following conditions:

i) Solicitation of Businesses:

- a) One month before the solicitation for any goods or services, the Recipient must forward a letter with a description of the goods or services to the Project Employment and Contracting Coordinator;
- b) The Recipient shall provide the City with a written Purchasing Report every month. The form of this report shall be in substantially the form found in Appendix 6.

- c) Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- d) Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- e) Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- f) Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
- g) Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- h) Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
- i) Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- j) Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

B. The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by Project Employment and Contracting Monitor of a Recipient, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

IX. Good Faith Defined. Commercial Tenants at the Project Site

Good Faith shall mean compliance with all of the following conditions:

- A. The Recipient shall send all tenants of commercial space, including retail space, within the Project Site a Tenant Employment Services Guide in the form attached as Appendix 7.
- B. The Recipient shall require tenants of commercial, including any retail space to complete an annual questionnaire concerning the composition of the work force of each tenant. The completed questionnaire be submitted to the Project Employment & Contracting Monitor. The questionnaire shall be in the form attached as Appendix 8.
- C. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than December 1st of each year.

X. Notices of Violation:

- 1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have 7 days to correct the violation.
- 2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City the City shall issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation.
- 3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.
- 4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

If the City determines that the Recipient is in violation after the expiration of the cure periods, the Recipient agrees that the City shall be entitled to the liquidated damages provided below.

XI. Liquidated Damages:

- 1. While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any cure period, the City will be entitled to liquidated damages from the Recipient in the following amounts:

- A. Failure to file Initial Manning Report (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracts): an amount equal to Five percent (5%) increase in the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- B. Failure to conduct Pre-hiring Interviews or submit Compliance Statement (Submit description of goods or services, (Business Contracting): an amount equal to Three (3%) percent of the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- B. Failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Three (3%) percent increase service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- C. The use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Ten (10%) service charge as set forth in the Financial Agreement for each quarter or part thereof, the Recipient is non compliant.

XII. Notices

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

Srinan Properties, LLC
682 Route 440
Jersey City, NJ 07304
Att:

and

Connell Foley, LLP
Harborside Financial Center
2510 Plaza Five
Jersey City, NJ 07311
Attn: Charles Harrington, Esq.

2. When sent by the Recipient to the City, it shall be addressed to:

City of Jersey City
Department of Administration
Division of Economic Opportunity
Project Employment & Contracting Monitor
280 Grove Street
Jersey City, New Jersey 07302
Att: Division Director

and

Director of Jersey City Employment and Training Program, Inc
895 Bergen Avenue—2nd Floor
Jersey City, NJ 07306
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

XIII. Appendix

These forms are examples only and shall be in substantially the form on file in the Division of Economic Opportunity, subject to modifications from time to time by the City as necessary or appropriate.

1. Letter designating Recipient's Project Employment & Contracting Officer
2. Letter from Recipient to Employees of Recipient's Company
3. Acknowledgment of PECA compliance of Subcontractor
4. Example of Hiring Plan
5. Example of Monthly Employment Report
6. Example of Monthly Purchasing Report
7. Tenant Employment Services Guide
8. Commercial Retail Annual Questionnaire

XIV. Adoption, Approval, Modification:

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

XII. Controlling Regulations and Laws:

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

In the event there are any conflicts between this Agreement and any Project Labor Agreement, then as it pertains to construction jobs covered by the PLA, the Project Labor Agreement shall govern. Wherever possible, this Agreement shall be interpreted consistently with the Project Labor Agreement.

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

SRINAN PROPERTIES, LLC

Secretary

President

City Clerk File No. Ord. 14.153

Agenda No. 3.K 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.153

TITLE: AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 6901, LOT 3, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 78 PALISADE AVENUE

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, the City of Jersey City as an area in need of rehabilitation, is authorized to adopt an ordinance to utilize tax exemptions pursuant to N.J.S.A. 40A:21-1, et seq., the Five (5) Year Exemption and Abatement Law; and

WHEREAS, pursuant to N.J.S.A. 40A:21-1 et seq., the City of Jersey City adopted Ordinance 05-060, Section 304-6 et seq. of the Municipal Code, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor to regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

WHEREAS, pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code, a tax exemption for the construction of two (2) new four (4) story buildings to contain approximately fifteen (15) residential units and approximately fifteen (15) on-site parking spaces with approximately two thousand two hundred ninety-five (2,295) square feet of parking area on the Property, is permitted for a period of five (5) years; and

WHEREAS, NSJ Properties I, LLC [Entity], is the owner of Property designated as Block 6901, Lot 3, on the City's Tax Map and more commonly known by the street address of Palisade Avenue, Jersey City, NJ; and

WHEREAS, the Entity now plans to construct two (2) new four (4) story buildings to contain approximately fifteen (15) residential units and approximately fifteen (15) on-site parking spaces with approximately two thousand two hundred ninety-five (2,295) square feet of parking area; and

WHEREAS, construction commenced by a predecessor in title in 2010, and construction resumed in February 2013 after the Entity took title; and

WHEREAS, on September 24, 2014, the Entity filed an application for a five (5) year tax exemption for the newly constructed residential Project, a copy of which application is attached hereto; and

WHEREAS, on October 22, 2014, the City issued a Certificate of Occupancy for the Property; and

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 6901, LOT 3, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 78 PALISADE AVENUE

WHEREAS, NSJ Properties I, LLC, proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and are currently taxed at the sum of \$11,199) a tax payment for the new improvements on the property, as follows:

- (a) 2015: the tax year in which the structure will be completed. \$0 taxes due on improvements;
- (b) 2016: the second tax year, 20% of taxes otherwise due on improvements, estimated to be \$10,735;
- (c) 2017: the third tax year, 40% of taxes otherwise due on improvements, estimated to be \$21,471;
- (d) 2018: the fourth tax year, 60% of taxes otherwise due on improvements, estimated to be \$32,206; and
- (e) 2019: the fifth tax year, 80% of taxes otherwise due on improvements, estimated to be \$42,942;

WHEREAS, the Tax Assessor has determined that the new construction will generate an additional tax payment of \$11,199 for land and \$53,677 for improvements, for a total of \$64,876 a year; and

WHEREAS, the applicant has agreed that in the event the Citywide revaluation results in a decrease in the estimated amount of actual taxes otherwise due, then for purposes of calculating a tax payment hereunder and for the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes otherwise due; and

WHEREAS, the application for tax exemption was complete and timely filed; the application was approved by the Tax Assessor and the residential Project is eligible for tax exemption pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code; and

WHEREAS, upon the expiration of the tax exemption, the total assessment, including both land and improvements, will generate a total tax payment of \$64,876; and

WHEREAS, NSJ Properties I, LLC, has agreed to pay the sum of \$25,943 to the City's Affordable Housing Trust Fund, which shall be paid in intervals set forth in Section 304-28 of the Municipal Code.

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

1. The application, attached hereto, for two (2) new four (4) story buildings to contain approximately fifteen (15) residential units and approximately fifteen (15) on-site parking spaces with approximately two thousand two hundred ninety-five (2,295) square feet of parking area, located in Block 6901, Lot 3, and more commonly known by the street address of 78 Palisade Avenue, Jersey City, N.J., is hereby approved.

2. The Mayor or Business Administrator is hereby authorized to execute a tax exemption agreement which shall contain at a minimum, the following terms and conditions:

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 6901, LOT 3, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 78 PALISADE AVENUE

- (a) tax payment on the new improvements shall be:
- (i) Year 1: the tax year in which the structure will be completed. \$0 taxes;
 - (ii) Year 2: the second tax year, 20% of taxes otherwise due on improvements, estimated to be \$10,735;
 - (iii) Year 3: the third tax year, 40% of taxes otherwise due on improvements, estimated to be \$21,471;
 - (iv) Year 4: the fourth tax year, 60% of taxes otherwise due on improvements, estimated to be \$32,206; and
 - (v) Year 5: the fifth tax year, 80% of taxes otherwise due on improvements, estimated to be \$42,942.

The applicant has agreed that in the event the Citywide revaluation results in a decrease in the amount of actual taxes otherwise due for purposes of calculating a tax payment hereunder; during this five (5) year period, the amount due hereunder shall be calculated on the higher of the amount estimated above or the actual taxes due after the revaluation; and

(b) The project shall be subject to all federal, state and local laws, and regulations on pollution control, worker safety, discrimination in employment, zoning, planning, and building code requirements pursuant to N.J.S.A. 40A:21-11(b).

(c) If, during any tax year prior to the termination of the tax agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying, then the tax which would have otherwise been payable for each tax year shall become due and payable from the property owner as if no exemption and abatement had been granted. The collector forthwith ad the tax collector shall, within 15 days thereof, notify the owner of the property of the amount of taxes due.

(d) With respect to the disposal of the property, where it is determined that the new owner of the property will continue to use the property pursuant to the conditions which qualified the property, no tax shall be due, the exemption shall continue, and the agreement shall remain in effect.

(e) At the termination of a tax exemption agreement, the new improvements shall be subject to all applicable real property taxes as provided by State law and regulation and local ordinance; but nothing herein shall prohibit a project, at the termination of an agreement, from qualifying for, an receiving the full benefits of, any other tax preferences provided by law.

(f) Affordable Housing Trust Fund: \$1,500 x 15 residential units and \$1.50 x 2,295 square feet of on-site parking space, for a total of \$25,943.

3. An obligation to execute a Project Employment and Contracting Agreement and Project Labor Agreement to insure employment and other economic benefits to City residents and businesses.

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ. AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 6901, LOT 3, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 78 PALISADE AVENUE

4. The form of tax exemption agreement is attached hereto as Exhibit B, subject to such modification as the Corporation counsel or Business Administrator deems necessary.
5. The Tax Assessor shall send a copy of the fully executed Financial Agreement will be sent to the Director of the Division of Local Government Services in the Department of Community Affairs within thirty (30) days of execution pursuant to N.J.S.A. 40a:21-11(d).
 - A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
 - B. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
 - C. This ordinance shall take effect at the time and in the manner provided by law.
 - D. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All material is new; therefore underlining has been omitted.
For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

JM/he
11/03/14

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

DRAFT

DATE: October 2, 2014

TO: Diana Jeffery (For distribution to City Council and City Clerk)

FROM: Al Cameron Tax Collector's Office

SUBJECT: FIVE-YEAR TAX ABATEMENT: NSJ PROPERTIES I, LLC; 78 Palisade Avenue Street; Block 6901, Lot 3

CC: M. Cosgrove, E. Bjora, J. Monahan, E. Toloza, B. Platt, G. Corrado, R. Byrne.

INTRODUCTION:

The applicant, NSJ Properties, LLC I, is applying for a five (5) Year tax abatement for two (2) four story (4) buildings with a total of fifteen (15) market rate rental units. This application is filed under N.J.S.A. 40 A: 21-1 et seq. The application fee was paid.

LOCATION OF THE PROPERTY:

The property known as 78 Palisade Avenue is located at the North East corner of Hoboken and Palisade Avenues. It is Block 6901 Lot 3 on the Jersey City Tax Map.

PROPERTY TO BE CONSTRUCTED:

The project will consist of two (2) four (4) story market rate residential rental buildings. There will be a total of fifteen residential units and fifteen (15) onsite parking spaces. The residential units will be as follows:

<u>UNITS</u>	<u>SQUARE FEET</u>
One (1) studio	583
Two (2) One Bedrooms	634
Eight (8) one Bedrooms	948
Four (4) Three Bedrooms	1,393

ESTIMATED TOTAL CONSTRUCTION COST:

The cost of construction is estimated at \$1,060,514.

DRAFT

CONSTRUCTION SCHEDULE:

The applicant purchased the property from a prior owner in 2010 after construction began. The building permits were issued prior to a change in the ordinance requiring a five year abatement application to be submitted prior to the start of construction. Substantial completion is expected in October 2014.

ESTIMATED JOBS CREATED:

The applicant estimates forty-five (45) jobs were created during Construction and no positions after construction. Since the construction is essentially complete and no jobs are anticipated after construction neither a PLA nor a PECA seems necessary.

AFFORDABLE HOUSING TRUST FUND CONTRIBUTION:

The applicant proposes an AHTF Contribution. At the rate of \$1,500 per residential unit, and \$1.50 per square foot of parking space the total AHTF Contribution required is \$25,942.

CURRENT REAL ESTATE TAXES:

The 2013 land tax for the property is \$11,199. All are taxes-current.

PROPOSED ABATEMENT:

The applicant has requested a term of five (5) years for the abatement on the improvements. The Applicant will pay the full land tax in each and every year of the abatement and has proposed a phase in of the assessment on improvements. In year one (1) the applicant proposes no taxes on improvements. In year two (2) the applicant would pay taxes on twenty percent (20%) of the improvements. The applicant would pay forty percent (40%) in year three (3), sixty percent (60%) in year four (4), Eighty percent (80%) in year five (5) and full taxes in year six (6).

PROPOSED REVENUE TO THE CITY:

The phase-in of taxes on improvements is shown in the table below.

The total taxes projected for the five-year term of the abatement are \$172,227 The total taxes exempted for the term are \$165,390 The Tax Assessor estimated the final assessment based upon information provided by the Applicant. They reflect an estimated annual tax increase of two percent (2%) during the period.

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 6901, LOT 3, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 78 PALISADE AVENUE

Initiator

Department/Division	Law Department	Law Department
Name/Title	Diana Jeffrey	Asst. Corporation Counsel
Phone/email	(201) 547-4797	DJeffrey@icnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

NSJ Properties I, LLC, is the owner of Property designated as Block 6901, Lot 3, on the City's Tax Map and more commonly known by the street address of 78 Palisade Avenue, Jersey City, N.J.

The Entity now plans to construct two (2) new four (4) story buildings to contain approximately fifteen (15) residential units and approximately fifteen (15) on-site parking spaces with approximately two thousand two hundred ninety-five (2,295) square feet of parking area.

The Entity has applied for a five (5) year tax exemption for the Project.

I certify that all the facts presented herein are accurate.

Signature of Department Director

Date

DRAFT

NSJ Properties LLC							Five Year
Year	1	2	3	4	5	Full Tax	Totals
Current Tax Rate	74.66	76.15	77.68	79.23	80.81	82.43	
Total Tax	64,876.11	66,173.63	67,497.10	68,847.04	70,223.98	71,628.46	337,617.86
Land tax	11,199.00	11,422.98	11,651.44	11,884.47	12,122.16	12,364.60	58,280.05
Tax on Improvements	53,677.11	54,750.65	55,845.66	56,962.57	58,101.83	59,263.86	279,337.81
Phase in %	0%	20%	40%	60%	80%	100%	
Phase in Tax	0.00	10,950.13	22,338.26	34,177.54	46,481.46	59,263.86	113,947.40
Exempted Tax	53,677.11	43,800.52	33,507.40	22,785.03	11,620.37	0.00	165,390.41
Total Tax Payable	11,199.00	22,373.11	33,989.70	46,062.01	58,603.62	71,628.46	172,227.44

Assessments

Assumes 2% Annual Tax Rate Increase

Land	\$150,000
Improvements	<u>\$718,954</u>
Total	<u>\$868,954</u>

FISCAL IMPACT COST PROJECTION (MARKET RATE RENTAL UNITS - TIER 1 - 5 YEAR)
NSJ PROPERTIES I, LLC
Block: 6901 Lot: 3 Loc: 78 PALISADE AVE

Market Rate Rental Units with Parking	Number of Units	Demographic Multipliers (Transit Oriented Development)*		Total		Annual Expenditures		Total Annual Expenditures		
		Household	Students	Residents	Students	Per Capita Municipal	Per Pupil Per School District	Municipal	School District	Total
Studio	1	1.000	0.000	1.00	0.00	\$1,126.42	\$3,445.00	\$1,126.42	\$0.00	\$1,126.42
1 Bedroom	2	1.421	0.050	2.84	0.10	\$1,126.42	\$3,445.00	\$3,201.28	\$344.50	\$3,545.78
2 Bedroom	8	2.012	0.120	16.10	0.96	\$1,126.42	\$3,445.00	\$18,130.82	\$3,307.20	\$21,438.02
3 Bedroom	4	2.798	0.560	11.19	2.24	\$1,126.42	\$3,445.00	\$12,606.86	\$7,716.80	\$20,323.66
TOTAL	15			19.94	1.06			\$35,065.38	\$11,368.50	\$46,433.88

1. Total Municipal Ratables	\$5,916,171,471	4. Fiscal Year 2013 Budget	\$500,097,007	6. Population of Jersey City (2010 Census)	247,597	9. Increase in Services Incurred Per Development	\$ 46,433.88
2. Residential Ratables	\$3,299,371,882			7. Per Capita Municipal Cost	\$1,126.42	10. Anticipated Taxes (Assuming 74.34 Rate w/ 2% Annual Increase)	
Commercial Ratables	\$1,439,637,425			8. Annual Expenditures Per Student**	\$3,445.00	1st Year \$	11,151.00
3. Residential Ratables as a Percentage of Total Ratables	55.77%	5. Residential Portion	\$278,897,596			2nd Year \$	20,003.11
						3rd Year \$	29,204.84
						4th Year \$	38,766.65
						5th Year \$	48,699.24
						11. Implied Cost (Surplus)	
						1st Year \$	35,282.88
						2nd Year \$	26,430.77
						3rd Year \$	17,229.04
						4th Year \$	7,667.23
						5th Year \$	(2,265.36)

Classic Average costing approach for projecting the impact of population change and local Municipal and School District costs

*Source: New Jersey Demographic Multipliers: Profile of the Occupants of Residential and Nonresidential Development; Listokin, November 2006

**Source: 2014-2015 Jersey City Municipal Cost Per Pupil

EXHIBIT B

NSJ PROPERTIES I, L.L.C.

Estimated Cost of Project Construction

The Estimated Cost per N.J.S.A. 40A:21-3(j) is as follows:

"Cost" per Definition:*

Direct Labor & Materials (includes Contractor's Fees)	\$ 1,042,114
Architectural	\$ 8,700
Engineering	\$ 9,700
Estimated Cost:	<u>\$ 1,060,514</u>

*Pursuant to N.J.S.A. 40A:21-3(j), estimated "cost" does not include land costs, soft costs (other than architectural and engineering costs), and financing costs. This estimated "cost" differs from the total project cost calculation required under the Long Term Tax Exemption Law, pursuant to N.J.S.A. 40A:20-3(h).

**NSJ PROPERTIES I, LLC
BLOCK 6901 Lot 3
78 Palisade Avenue**

Block	Lot		Existing Assessments	New Assessments	Phase -In Assessment
6901	3	Land	150000	150000	0
		Bldg	0	569000	569000
		Total	150000	719000	569000

**In-Lieu of Full Property Tax Payments An Amount
Equal To A Percentage Of Taxes Otherwise Due,
According To The Following Schedule:
(NJSA 40A:21-10)**

Stages	Year	Phase-In Rate	Description	Land	Bldg	Total
1	2015	0	Land Only	11,151.00	-	11,151.00
2	2016	20%	Land & Bldg	11,151.00	8,459.89	19,610.89
3	2017	40%	Land & Bldg.	11,151.00	16,919.78	28,070.78
4	2016	60%	Land & Building	11,151.00	25,379.68	36,530.68
5	2017	80	Land & Building	11,151.00	33,839.57	44,990.57
Taxes on Land & Building at Completion						53,450.46

9/24/2014

EXHIBIT C

NSJ PROPERTIES I, L.L.C.

FISCAL PLAN and ESTIMATED TAX COMPUTATION FOR YEAR 2014

Equalization Ratio	31.24%	
Tax Rate (per thousand)	\$74.66	
Potential Residential Income	<u>Total</u>	<u>Avg Per Unit/ Per Year</u>
(1) Studio Units	\$13,200	\$1,100
(2) One Bedroom Units	\$32,400	\$1,350
(8) Two Bedroom Units	\$168,000	\$1,750
(4) Three Bedroom Units	<u>\$103,200</u>	<u>\$2,150</u>
Total Potential Residential Income	\$316,800	
Retail Rent	\$0	
Other Rent (Amenity Fees, etc.)	\$0	
Parking Income	\$13,500	
Total Gross Income	\$330,300	
Vacancy (5%)	<u>\$(16,515)</u>	
Effective Gross Income:	<u>\$313,785</u>	
Operating Expenses:		
Management	\$9,000	
Repairs & Maintenance	\$10,909	
Insurance	\$7,731	
Utilities	\$1,200	
Labor	\$12,000	
Payroll Taxes & Benefits	\$2,400	
Reserves	\$18,207	
Advertising/Marketing	\$2,500	

Miscellaneous Operating Expense
Land Taxes

\$8,500
\$11,199

Total Operating Expenses

\$83,646

Projected Net Operating Income

\$230,139

Cap Rate

10%

Market Value

\$2,301,390

Assessment

\$718,954

Estimated Annual Real Estate Taxes
for 2014 based upon rate (\$74.66) and ratio
(\$31.24)

\$53,677

Exhibit C – Continued

CURRENT ESTIMATED TAX PAYMENTS FOR FIVE YEAR TERM OF EXEMPTION
Based on 2014 Tax Rate and Equalization Ratio

Year	1	2	3	4	5	Total
Projected Tax Rate	\$74.66	\$74.66	\$74.66	\$74.66	\$74.66	
Total Tax	\$64,876	\$64,876	\$64,876	\$64,876	\$64,876	\$324,380
Land Tax	\$11,199	\$11,199	\$11,199	\$11,199	\$11,199	\$55,995
Tax on Improvements	\$53,677	\$53,677	\$53,677	\$53,677	\$53,677	\$268,385
Statutory Phase –In	0%	20%	40%	60%	80%	
Exempted Tax	\$53,677	\$42,941	\$32,206	\$21,470	\$10,735	\$161,029
Total Taxes Payable	\$11,199	\$21,934	\$32,669	\$43,405	\$54,140	\$163,247

EXHIBIT E

NSJ PROPERTIES I, L.L.C.

Disclosure Statement

NAME OF ENTITY: NSJ Properties I, L.L.C.

NAME OF PROJECT: Palisade Vista
78 Palisade Avenue
Block 6901, Lot 3
Jersey City, New Jersey

PRINCIPAL OFFICE: #1-14 Doty Road
Haskell, New Jersey 07420

NAME OF REGISTERED AGENT: Michael Nestico

ADDRESS: 64 Ridge Road
Sparta, New Jersey 07871

I CERTIFY THAT THE FOLLOWING LIST REPRESENTS THE NAMES OF ALL MEMBERS OWNING A 10% OR GREATER INTEREST IN THE ABOVE ENTITY (IF ONE OR MORE OF THE BELOW NAMED IS ITSELF AN ENTITY, THE NAMES OF ANY ENTITY OWING A 10% OR GREATER INTEREST THEREIN IS ALSO IDENTIFIED)

NAME	ADDRESS	PERCENT OWNED
------	---------	---------------

Michael Nestico	64 Ridge Road, Sparta, New Jersey 07871	40%
Bowen Global Investments, LLC	633 South 4 th Street, Suite 7, Las Vegas, Nevada 89101	60%

The members of Bowen Global Investment, LLC are as follows:

Gemini Credit Investments	95%
Charles Jinn	5%

The sole officer of Gemini Credit Investments is:


Mike Shyue-Gang Jinn	100%
----------------------	------

I FURTHER CERTIFY THAT THE FOREGOING STATEMENTS MADE BY ME ARE TRUE. I AM AWARE THAT IF ANY OF THE FOREGOING STATEMENTS MADE BY ME ARE WILLFULLY FALSE, I AM SUBJECT TO PUNISHMENT.

Dated: 9-12, 2014

NSJ Properties I, L.L.C.,
a New Jersey limited liability company

By:


Michael Nestico, Member

TIER ONE (5 YEAR)
11-03-14
NJSA 40A:21-1 et seq
(Multiple Dwelling, Industrial, Commercial)

TAX AGREEMENT
FIVE YEAR/NEW CONSTRUCTION

THIS AGREEMENT made on this _____ day of _____, 2014, by and between the **CITY OF JERSEY CITY** [City], a municipal corporation organized under the Laws of the State of New Jersey and having its principal place of business at 280 Grove Street, Jersey City, New Jersey 07302, and, **NSJ PROPERTIES I, LLC**, [Applicant/Owner], whose principal place of business is 78 Palisade Avenue, Jersey City, NJ 07306.

WITNESSETH:

WHEREAS, the Municipal Council has indicated by its intention to utilize the five year tax exemption provisions authorized by Article VIII, Section I, paragraph VI of the NJ State Constitution and the Five Year Exemption Law, N.J.S.A. 40A:21-1 et seq. for improvements and projects by the adoption of Ordinance 05-060, as amended by Ordinance 07-146; and

WHEREAS, the Applicant is owner of certain property located at 78 Palisade Avenue, in the City of Jersey City, County of Hudson and State of New Jersey, designated as Block 6901, Lot 3, on the Tax Assessor's Map, more commonly known by the street address of 78 Palisade Avenue, and more particularly described in the metes and bounds description attached hereto as Exhibit A [Property];

WHEREAS, on or about September 24, 2014, the Applicant applied for a five year tax exemption for two (2) new four (4) story buildings to contain approximately fifteen (15) residential units and approximately fifteen (15) on-site parking spaces with approximately two thousand two hundred ninety-five (2,295) square feet of parking area [Improvements] pursuant to N.J.S.A. 40A:21-1 et seq and Section 304-12 of the Municipal Code [Law]; and

WHEREAS, the City has reviewed the application, approved the construction of the Improvements and authorized the execution of a Tax Exemption Agreement by the adoption of Ordinance _____ on _____.

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and covenants hereinafter contained, the parties hereto agree as follows:

ARTICLE I: APPROVAL OF TAX EXEMPTION

The City hereby agrees to a tax exemption for the construction of two (2) new four (4) story buildings to contain approximately fifteen (15) residential units and approximately fifteen (15) on-site parking spaces with approximately two thousand two

hundred ninety-five (2,295) square feet of parking area [Improvements] on the Property, as further described in the Application, attached hereto as Exhibit B, pursuant to the provisions of N.J.S.A. 40A:21-1 et seq., and Ordinance_____, which authorized the execution of this Tax Agreement [Law], subject to the terms and conditions hereof.

ARTICLE II: IN LIEU OF TAX PAYMENTS

The Applicant agrees to make estimated payments on the new Improvements, (separate and apart from taxes on the land and existing improvements which shall continue to be subject to conventional assessment and taxation and for which the Applicant shall receive no credit against the in lieu of tax payment) in lieu of full property tax payments according to the following schedule:

1. For the full calendar of Year 1, no payment in lieu of taxes;
2. For the full calendar of Year 2, twenty (20%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$10,735;
3. For the full calendar of Year 3, forty (40%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$21,471;
4. For the full calendar of Year 4, sixty (60%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$32,206; and
5. For the full calendar of Year 5, eighty (80%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$42,942.

In the event a City-wide revaluation results in decrease in the amount of taxes otherwise due, payment hereunder shall be the higher of either the taxes estimated above or the amount of actual taxes after the City-wide revaluation.

ARTICLE III: APPLICATION FEE

The Applicant has paid the sum of **\$3,000** to the City as an application fee. Failure to make such payment shall cause the tax exemption to terminate.

ARTICLES IV: FEDERAL, STATE AND LOCAL LAW

The construction of the Improvements is subject to all applicable federal, State and local laws and regulations on pollution control, worker safety, discrimination in employment, housing provision, zoning, planning and building code requirements.

ARTICLE V: TERM OF EXEMPTION

The Tax Exemption granted shall be valid and effective for a period of five (5) full calendar years from the date of Substantial Completion of the Project, which shall

ordinarily mean the date on which the City issues, or the Project is eligible to receive, a Certificate of Occupancy, whether temporary or final, for part or the whole of the Project. During the term of the tax exemption, the Applicant shall make an in lieu of tax payment to the City in accordance with the schedule set forth above. Prior to the commencement of the tax exemption, and upon expiration thereof, the Applicant shall pay full conventional taxes on the Improvements.

ARTICLE VI: REVALUE

The applicant has agreed that in the event the revalue results in a decrease in the amount of actual taxes otherwise due, for purposes of calculating a tax payment hereunder during the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes.

ARTICLE VII: NO COUNTY EQUALIZATION AND SCHOOL AID

Pursuant to N.J.S.A. 40A:21-11(c), the percentage, which the payment in lieu of taxes for the tax exempt property bears to the property tax which would have been paid had an exemption not been granted for the property under this Agreement, shall not be applied to the valuation of the property to determine the reduced valuation of the property to be included in the valuation of the City for determining equalization for county tax apportionment and school aid, during the term of the tax exemption agreement covering this property. At the expiration or termination of this Agreement, the reduced valuation procedure required under the Law shall no longer apply.

ARTICLE VIII: OPERATION OR DISPOSITION OF PROPERTY

If during any year prior to the termination of this Agreement, the Applicant ceases to operate or disposes of the Property, or fails to meet the conditions for qualifying for tax exemption under this Agreement or pursuant to Law, then the tax which would have otherwise been payable for each and every year, shall become due and payable from the Applicant as if no exemption had been granted. The Tax Collector shall, within 15 days thereof, notify the owner of the Property of the amount of taxes due:

However, with respect to the disposal of the property, if it is determined that the new owner will continue to use the property pursuant to the conditions which qualify the property for exemption, the tax exemption shall continue and this Agreement shall remain in full force and effect.

ARTICLE IX: AFFORDABLE HOUSING TRUST FUND CONTRIBUTION REQUIRED

A. **Contribution.** The Entity will pay the City the sum of \$25,943 or [\$1,500 per unit or \$1.50 per square foot of parking space] as a contribution. The sum shall be due and payable as follows:

- i. 1/3 on or before the effective adoption date of the Ordinance approving the tax exemption;
- ii. 1/3 on or before the issuance of the first of any construction permit for the Project, but no later than six months after the date of the Tax Agreement; and
- iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Tax Agreement.

ARTICLE X: TERMINATION/ELIGIBILITY FOR ADDITIONAL TAX EXEMPTION

Upon the termination of this Agreement for tax exemption, the Project shall be subject to all applicable real property taxes as provided by State Laws and Regulations and City Ordinances. However, nothing herein shall be deemed to prohibit the Project, at the termination of this Agreement, from qualifying for and receiving the full benefits of any other tax preferences allowed by law. Furthermore, nothing herein shall prohibit the Applicant from exercising any rights under any other tax provisions of State law or City Ordinances.

In the event the owner elects to terminate this tax abatement after the revalue, the owner shall pay the City the difference of 100% of the full amount of the taxes otherwise due from the 1st year of this agreement to the date of termination.

ARTICLE XI: PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

In order to provide City residents and businesses with employment and other economic opportunities, the Applicant agrees to comply with the terms and conditions of the Project Employment & Contracting Agreement which is attached hereto as Exhibit C.

ARTICLE XIII: NOTICES

All notices to be given with respect to this Agreement shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid, return receipt requested, to the party to be notified at the addresses set forth below or at such other address as either party may from time to time designate in writing:

Notice to City:

Business Administrator
City Hall, 280 Grove Street
Jersey City, New Jersey 07302

Notice to Applicant:

NSJ Properties I, LLC
78 Palisade Avenue
Jersey City, NJ 07306

ARTICLE XIV: GENERAL PROVISIONS

This Agreement contains the entire Agreement between the parties and cannot be amended, changed or modified except by written instrument executed by the parties hereto.

In the event that any provisions or term of this Agreement shall be held invalid or unenforceable by a Court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof; provided, however, that the City continues to receive the full benefit of any economic term hereunder.

This Agreement shall be governed by and construed in accordance with the Laws of the State of New Jersey.

This agreement may be executed in several counterparts, each of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the City and the Applicant have caused this Agreement to be executed on the date and year first above written.

WITNESS:

NSJ PROPERTIES I, LLC

, Member

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ___ day of ___, 2014, between the **CITY OF JERSEY CITY** [City] having its principal office at 280 Grove Street, Jersey City, NJ 07302, and **NSJ PROPERTIES I, LLC** [Recipient], having its principal office at 78 Palisade Avenue, Jersey City, NJ 07306.

I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into an agreement with the City to implement, in whole or in part, this agreement.
2. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
3. Construction Contract means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway or other improvement on a Project Site.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or tax exemption for a property or project which requires approval of the Municipal Council.
6. "Employment" includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. Jersey City Employment and Training Corporation or "JCEPT" means the non-profit quasi public Entity with whom the City has an operating agreement to undertake certain employment services.
8. "Local Business" means a bona fide business located in Jersey City.
9. "Minority" means a person who is defined as such under federal or state law.

10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.
11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor and Workforce Development, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.
12. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
13. "Project or Project Site" means the specific work location or locations specified in the contract.
14. The "Project Employment & Contracting Coordinator" or "Coordinator" is the employee in the Department of Administration presently, the Executive Director of the Jersey City Employment & Training Program, Inc., who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Coordinator. The Coordinator may refer a developer to the JCEPT or its one-stop career center so long as the City and JCEPT agreement is in full force and effect.
15. The "Project Employment & Contracting Monitor" or "Monitor" is the employee in the Department of Administration who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting administration as stipulated by this agreement.
16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.
17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.
18. "The Registry" or "Jersey City Employment Registry" means a data base maintained by the City or its designee, of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.

21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose: Construction Jobs, Business Contracting, Permanent Jobs

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

This agreement shall apply to all Business Contracts and non-construction Permanent Jobs. Recipients are also required to notify any commercial tenants of employment services available from the City.

III. Recipient Designee:

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient shall send a letter designating its "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix 1. This Officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix 2.

IV. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance _____ approving the tax exemption and terminate 5 years from the date of Substantial Completion of the Project.

V. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient shall only be required to submit the periodic certified manning and certified payroll reports described below to confirm ongoing compliance. All other Recipients must comply with the following Good Faith goals.

1. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

VI. Good Faith Defined. Permanent Jobs:

1. **Permanent Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will meet with the Coordinator, including the director of JCETP to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

- i) whether subcontractors will be used in the hiring process.
- ii) the specific types of jobs that need to be filled.
- iii) the qualifications needed for these particular jobs.
- iv) possible training programs offered by the permanent employer.
- v) the Recipient's goals and how it plans to meet these goals.
- vi) any other issues which need to be addressed.

B. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix 3.

C. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 1.A.(i)-(vi) and notify the City.

D. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors.

- E. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix 4.
- F. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- G. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- H. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- I. Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
- J. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- K. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
- L. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.

- M. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

VII. Good Faith Defined. Business Contracts

- A. Good Faith shall mean compliance with all of the following conditions:

i) Solicitation of Businesses:

- a) One month before the solicitation for any goods or services, the Recipient must forward a letter with a description of the goods or services to the Project Employment and Contracting Coordinator;
- b) The Recipient shall provide the City with a written Purchasing Report every month. The form of this report shall be in substantially the form found in Appendix 6.
- c) Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- d) Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- e) Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- f) Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City

deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.

- g) Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
 - h) Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
 - i) Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
 - j) Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.
- B. The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by Project Employment and Contracting Monitor of a Recipient, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

VIII. Good Faith Defined. Commercial Tenants at the Project Site

Good Faith shall mean compliance with all of the following conditions:

- A. The Recipient shall send all tenants of commercial space, including retail space, within the Project Site a Tenant Employment Services Guide in the form attached as Appendix 7.
- B. The Recipient shall require tenants of commercial, including any retail space to complete an annual questionnaire concerning the composition of the work force of each tenant. The completed questionnaire be submitted to the Project Employment & Contracting Monitor. The questionnaire shall be in the form attached as Appendix 8.
- C. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than December 1st of each year.

IX. Notices of Violation:

1. **Advisory Notice:** The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have 7 days to correct the violation.
2. **Violation Notice:** If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City the City shall issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation.
3. **Correcting the Violation:** Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.
4. **Extension of Time to Correction:** Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

If the City determines that the Recipient is in violation after the expiration of the cure periods, the Recipient agrees that the City shall be entitled to the liquidated damages provided below.

X. Liquidated Damages:

1. While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any cure period, the City will be entitled to liquidated damages from the Recipient in the following amounts:
 - A. Failure to file Initial Manning Report (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracts): an amount equal to Five percent (5%) increase in the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
 - B. Failure to conduct Pre-hiring Interviews or submit Compliance Statement (Submit description of goods or services, (Business Contracting): an amount equal to Three (3%) percent of the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.

2. Failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Three (3%) percent increase service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
3. The use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Ten (10%) service charge as set forth in the Financial Agreement for each quarter or part thereof, the Recipient is non compliant.

XI. Notices

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

NSJ Properties I, LLC
78 Palisade Avenue
Jersey City, NJ 07306
Att:

and

2. When sent by the Recipient to the City, it shall be addressed to:

City of Jersey City
Department of Administration
Division of Economic Opportunity
Project Employment & Contracting Monitor
280 Grove Street
Jersey City, New Jersey 07302
Att: Division Director

and

Director of Jersey City Employment and Training Program, Inc
895 Bergen Avenue—2nd Floor
Jersey City, NJ 07306
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

XII. Appendix

These forms are examples only and shall be in substantially the form on file in the Division of Economic Opportunity, subject to modifications from time to time by the City as necessary or appropriate.

1. Letter designating Recipient's Project Employment & Contracting Officer
2. Letter from Recipient to Employees of Recipient's Company
3. Acknowledgment of PECA compliance of Subcontractor
4. Example of Hiring Plan
5. Example of Monthly Employment Report
6. Example of Monthly Purchasing Report
7. Tenant Employment Services Guide
8. Commercial Retail Annual Questionnaire

XIII. Adoption, Approval, Modification:

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

XIV. Controlling Regulations and Laws:

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

In the event there are any conflicts between this Agreement and any Project Labor Agreement, then as it pertains to construction jobs covered by the PLA, the Project Labor Agreement shall govern. Wherever possible, this Agreement shall be interpreted consistently with the Project Labor Agreement.

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

NSJ PROPERTIES I, LLC

Secretary

President

City Clerk File No. Ord. 14 154

Agenda No. 3.1 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.154

TITLE: ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MARKET RATE MIXED USE RENTAL PROJECT TO BE CONSTRUCTED BY 3 JOURNAL SQUARE URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, 3 Journal Square Urban Renewal, LLC, is an urban renewal entity, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. (Entity); and

WHEREAS, the Entity is the contract purchaser of certain property known as Condo Unit 2 within a portion of Block 9403, Lot 15, on the City's Official Tax map, consisting of approximately 1.15 acres, and more commonly known by the existing street address of 2 Journal Square, to be known as 2955 John F. Kennedy Boulevard, and more specifically described by metes and bounds, in the application (Property); and

WHEREAS, upon recordation of a Master Deed, Condo Unit 2 will consist of the air rights above 2 Journal Square, to be known as Block 9403, Lot 15, C.3002, together with a maximum percentage of the limited common elements (excluding land taxes) of 41%; and

WHEREAS, in no event shall the Entity take a credit for land tax paid based on its 41% of the limited or common elements that are part of the existing improvements on Lot 15 (the office building and parking deck). The credit shall only pertain to land taxes assessed to and paid on Block 9403, Lot 15, C.3002, which annual amount is estimated to be \$55,748; and

WHEREAS, the Property is located within the Journal Square 2060 Redevelopment Plan Area, as required by N.J.S.A. 40A:20-4 and N.J.S.A. 40A:12A-5(g); and

WHEREAS, by an application amended on September 26, 2014, the Entity applied for a 30 Year long term tax exemption to construct a mixed use residential rental project within Condo Unit 2, to consist of a thirteen (13) story building (on top of the existing parking deck) to contain approximately two hundred forty (240) market rate residential rental units and approximately two thousand four hundred (2,400) square feet of mixed commercial and residential uses on the ground level (Project); and

WHEREAS, the Project received site plan approval from the Planning Board on December 4, 2012; and

WHEREAS, 3 Journal Square Urban Renewal, LLC, has agreed to:

1. pay the greater of (i) the Minimum Annual Service Charge or (ii) 10% of the Annual Gross Revenue, which sum is initially estimated to be \$518,507; and which shall be subject to statutory staged increases over the term of the tax exemption; and
2. pay an annual sum equal to 0.5% of each prior year's Annual Service Charge as an Administrative Fee initially estimated at \$2,593; and
3. provide employment and other economic opportunities for City residents and businesses; and
4. pay to the City, for remittance to Hudson County, an additional amount equal to 5% of the Annual Service Charge estimated to be \$25,925; and

ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MARKET RATE MIXED USE RENTAL PROJECT TO BE CONSTRUCTED BY 3 JOURNAL SQUARE URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

5. pay the sum of \$363,600 to the City's Affordable Housing Trust Fund;
6. execute a Project Employment & Contracting Agreement and under Section 304-33 of the Jersey City Municipal Code a Project Labor Agreement, and comply with the Living Wage Ordinance, Section 3-76 of the Jersey City Municipal Code;
7. pay the sum of \$1,143,000 as an Additional Service Charge upon execution of the Financial Agreement; and

WHEREAS, the City hereby determines that the relative benefits of the project outweigh the cost of the tax exemption, for the following reasons:

1. there are no current real estate taxes assessed on the proposed air rights area (Condo Unit 2, Block 9403, Lot 15, C.3002), and therefore, the air rights area generates \$0 revenue, whereas, the Annual Service Charge as estimated, will initially generate approximately \$518,507 to the City;
2. the Project will create approximately 400 jobs during construction and 12 new permanent jobs;
3. the Project will stabilize and contribute to the economic growth of businesses in the surrounding area;
4. the Project will further the overall redevelopment objectives of the Journal Square 2060 Redevelopment Plan;
5. the City's impact analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

WHEREAS, the City hereby determines that the tax exemption is important in obtaining development of the project and influencing the locational decisions of probable occupants for the following reasons:

1. the relative stability and predictability of the Annual Service Charges will make the Project more attractive to investors needed to finance the Project;
2. the relative stability and predictability of the Annual Service Charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract tenants to the Project and insure the likelihood of the success of the Project; and

WHEREAS, 3 Journal Square Urban Renewal, LLC, has initially complied with Executive Order 2002-005 concerning "Disclosure of Lobbyist Representative Status" by filing an appropriate letter in the Office of the City Clerk; and

WHEREAS, 3 Journal Square Urban Renewal, LLC, has agreed to execute Project Labor Agreement, and comply with the requirements of Section 3-76 of the Jersey City Municipal Code concerning required wage, benefit and leave standards for building service workers.

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

A. The application of 3 Journal Square Urban Renewal, LLC, an urban renewal company, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. a copy of which is on file in the office of the City Clerk, for Condo Unit 2 located within a portion of Block 9403, Lot 15, C.3002, more commonly known by the existing street address of 2 Journal Square, to be identified as 2955 John F. Kennedy Boulevard, more specifically described by metes and bounds in the application and subject to the recordation of a Master Deed, is hereby approved.

B. The Mayor or Business Administrator is hereby authorized to execute a tax exemption Financial Agreement. The Financial Agreement shall include at a minimum the following terms and conditions:

1. Term: the earlier of 35 years from the adoption of the within Ordinance or 30 years from the date the project is Substantially Complete;

ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MARKET RATE MIXED USE RENTAL PROJECT TO BE CONSTRUCTED BY 3 JOURNAL SQUARE URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

2. Annual Service Charge: each year the greater of:
 - (a) the Minimum Annual Service Charge equal to \$518,507 upon Project Completion, whether or not the Project is occupied; or
 - (b) 10% of the Annual Gross Revenue, which initial sum is estimated to be \$518,507, and which shall be subject to statutory increases during the term of the tax exemption.
3. Administrative Fee: 0.5% of the prior year's Annual Service Charge estimated to be \$2,593;
4. County Payment: 5% of the Annual Service Charge to the City for remittance by the City to Hudson County estimated to be \$25,925;
5. Project: A mixed use residential rental project, which will consist of a mixed use residential rental project, which will consist of a thirteen (13) story building within the air rights above the existing parking deck (Condo Unit 2) to contain approximately two hundred forty (240) market rate residential units and approximately two thousand four hundred (2,400) square feet of mixed commercial/residential rental uses on the ground level;
6. Affordable Housing Trust Fund: \$1,500 per unit or \$360,000 and \$1.50 per square foot x 2,400 square feet or \$3,600, for a total of \$363,600. Such funds are non-refundable and non-transferrable in the event of a termination or expiration of the Financial Agreement;
7. Staged Adjustments:
 - (a) Stage One: years 1-9;
 - (b) Stage Two: years 10-13;
 - (c) Stage Three: years 14-17;
 - (d) Stage Four: years 18-21;
 - (e) Final Stage: Beginning on the 1st day of the 22nd year through the date the tax exemption expires, an amount equal to the greater of the Annual Service Charge or 80% of the amount of the taxes otherwise due.
8. Execution of a Project Employment and Contracting Agreement;
9. Execution of a Project Labor Agreement as required by Section 304-33 of the Jersey City Municipal Code;
10. Compliance with the Living Wage Ordinance, Section 3-76 of the Jersey City Municipal Code.
11. Payment of the sum of \$1,143,000 as an Additional Service Charge upon execution of the Financial Agreement to the City to resolve and settle any and all amounts in dispute, and alleged to be owed by PHM Urban Renewal Associates, LLC [PHM], a prior owner of Lot 15, to the City for the years from 2002 through the transfer of Lot 15 by PHM in 2011. Such funds are non-refundable and non-transferrable in the event of a termination or expiration of the Financial Agreement.
12. The only land tax credits available to 3 Journal Square Urban Renewal, LLC, and this Project shall be specifically limited to only the land taxes generated by the new land assessment set by the Tax Assessor for the new Condo Unit 2, Lot C.3002 in Block 9403. More specifically, 3 Journal Square Urban Renewal, LLC and the Project shall not be entitled to any land tax credits for the existing or future land taxes paid on the existing office building and garage structure on Lot 15 in Block 9403, regardless of any classification of the office building or garage structure in the Master Deed or as common elements, limited common elements, or otherwise.
13. The Affordable Housing Trust Fund contribution and Additional Service Charge payment shall be due on execution of the Financial Agreement, but in no event later than 90 days of the adoption of the ordinance. If the Financial Agreement is not executed for any reason, interest shall accrue on such payments as of the 91st day at the same rate as the City charges for unpaid real estate taxes.

ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MARKET RATE MIXED USE RENTAL PROJECT TO BE CONSTRUCTED BY 3 JOURNAL SQUARE URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

14. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project is: 1) commenced within two (2) years; 2) Substantially Complete within five (5) years of the adoption of the within Ordinance.

C. The City Clerk shall deliver a certified copy of the Ordinance and Financial Agreement to the Tax Assessor and Director of the Division of Local Government Services.

D. The application is on file with the office of the City Clerk. The Financial Agreement and Project Employment and Contracting Agreement shall be in substantially the form on file in the Office of the City Clerk, subject to such modification as the Business Administrator or Corporation Counsel deems appropriate or necessary.

E. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.

F. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.

G. This ordinance shall take effect at the time and in the manner provided by law.

H. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All material is new; therefore underlining has been omitted.
For purposes of advertising only, new matter is indicated by **bold face**
and repealed matter by *italic*.

JM/he
11/05/14

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

ordinance approving a thirty (30) year tax exemption for a commercial/residential rental project to be constructed by 3 Journal Square Urban Renewal LLC , pursuant to the provisions of the long term tax exemption law NJSA 40A:20-1 et seq for the property designated as Block 9403 Lot 15 C0002 on the city tax map

Initiator

Department/Division	office of the Mayor	
Name/Title	Brian Platt	
Phone/email	201-547-5200	bplatt@icnj.org

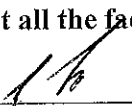
Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

3 Journal Square Urban Renewal LLC has applied for a 30 year long term tax exemption to construct a 13 story building on top of the existing parking deck with 240 residential units and 2400 square feet of mixed use on the ground level.

This abatement application meets all the standards present in the Mayor's Executive Order concerning Long Term Tax Exemptions, commonly known as abatements.

I certify that all the facts presented herein are accurate.


Signature of Department Director

11/5/14
Date

DATE: May 21, 2014

TO: Diana Jeffery (For distribution to City Council and City Clerk)

FROM: Al Cameron Fiscal Officer Tax Collector's Office

SUBJECT: TAX ABATEMENT: 3 Journal Square I Urban Renewal, L.L.C., (to be known as 2955 Kennedy Boulevard) - Block 9403 Lot 15 (to be known as Condominium unit 2 of the 2 Journal Square Condominium)

CC: M. Cosgrove, J. Monahan

INTRODUCTION:

The applicant, 3 Journal Square Urban Renewal, L.L.C., is applying for a thirty (30) Year tax abatement under N.J.S.A. 40 A: 20-1 et seq.

LOCATION OF THE PROPERTY:

The property, Block 9403 Lot 15 is commonly known as 2 Journal Square. It will be known as 2955 Kennedy Boulevard. The applicant's affiliate, PHM Urban Renewal Associates, has a purchase option lease and development agreement to develop over the existing parking deck. The property is located within the Journal Square 2060 Redevelopment Plan Area. The applicant states that the application fee was paid with the initial application. The initial application fee was paid in March 2013 for a substantially different application.

PROPERTY TO BE CONSTRUCTED:

It will be thirteen a (13) story mixed use project consisting of two hundred forty (240) residential units and approximately two thousand four hundred (2,400) sq. Ft. of commercial space.

ESTIMATED TOTAL PROJECT COST:

The estimated total project cost is \$72,516,293. The cost of construction is estimated to be \$55,367,836.

CONSTRUCTION SCHEDULE:

Construction is scheduled to begin in December 2014 and completed in approximately three (3) years.

ESTIMATED JOBS CREATED:

The applicant estimates that there will be four hundred (400) jobs created during

Construction and twelve (12) full-time permanent jobs after construction. Eight (8) of the jobs will be in real estate management and service. Four (4) will be in retail.

AFFORDABLE HOUSING TRUST FUND CONTRIBUTIONS:

The applicant proposes an AHTF contribution of \$363,600 for the residential units and Commercial space. The calculations are correct.

CURRENT REAL ESTATE TAXES:

The current assessment for the property is \$1,140,000. Using the current tax rate of \$74.66 per thousand, the applicant estimates that the annual tax for the land to be used for the project would be approximately \$85,112.40. The Entity, known as Condo Unit 2, owns 41% share of the common elements as stipulated in the master deed. However, Condo Unit 2 is not entitled to a credit for the land that is part of existing improvements on Lot 15 (the office building and the parking deck). Condo Unit 2 will be entitled to a land tax credit on the air rights only, to be known as Block 9403, Lot 15, C.3002, assessed at a value of \$749,800, which estimated land tax for the air rights is \$55,740. A new master deed reflecting the new condominium structure has been submitted to the Tax Assessor and will be recorded after the entity elects the purchase option in the lease.

PROPOSED ABATEMENT:

The applicant has requested a term of thirty (30) years for the abatement based upon a rate of ten percent (10%) of the gross revenue of the project with no staged adjustments until year sixteen (16).

The Applicant will make an annual Hudson County tax payment of five percent (5%) of the service charge and an administrative fee to Jersey City of one half of one percent (0.5%) .

PROPOSED REVENUE TO THE CITY:

The Annual Service Charge at full occupancy (less 5% vacancy) would be \$518,507. The applicant is also paying a sum of \$1,143,000 as an additional service charge upon execution of the financial agreement. In addition a Hudson County tax at five percent (5%) of \$25,925 and the administrative fee to Jersey City at one half of one percent (0.5%) of \$2,593 would be due. The proposed Minimum Service Charge is \$33,579 per the proposed Financial Agreement. However; the applicant's estimate of the land taxes allocated to the air rights only on the project would be \$55,740. The Financial Agreement should use this amount as the minimum service charge. Based upon the lease up rate of nineteen (19) units the first month and thirteen (13) units per month thereafter it is unlikely that the annual payment would be less than the required minimum

payment.

The applicant is applying for LEED certification. If certification is granted the applicant will be entitled to refund of between ten percent (10%) and twenty-five percent (25%) of its building permits and other land use fees based upon the certification granted.

PROJECT LABOR AGREEMENT

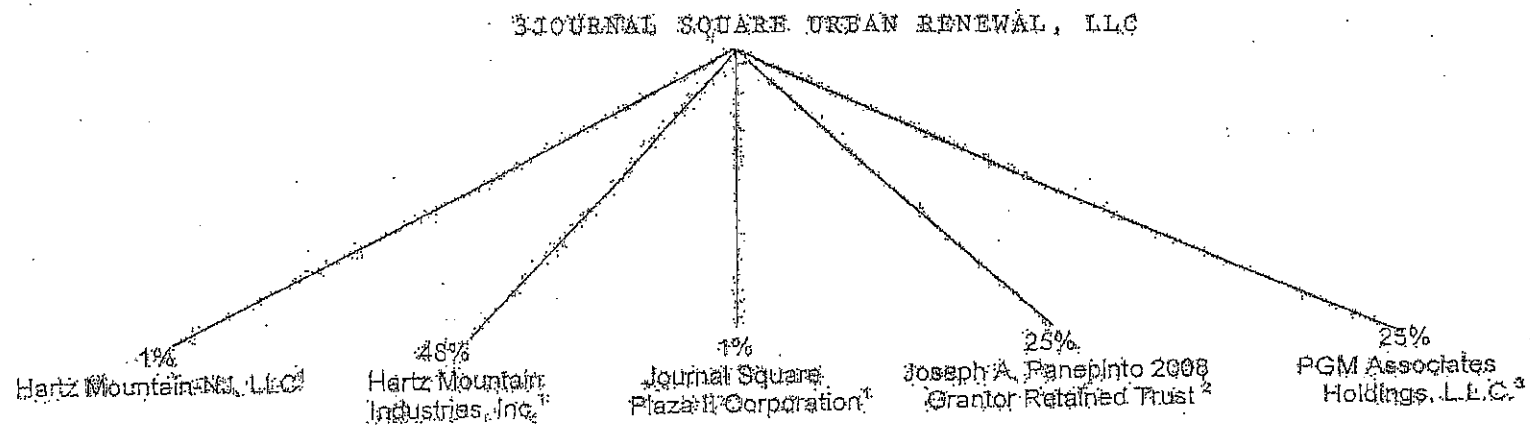
The Applicant has agreed to enter into a PLA even though construction costs may not meet the threshold.

FISCAL IMPACT COST PROJECTION (MARKET RATE RENTAL UNITS)
3 JOURNAL SQUARE URBAN RENEWAL
 Block: 9403 Lot: 15 Loc: 2 JOURNAL SQ. (2935 KENNEDY BLVD)

Market Rate Rental Units with Retail & Parking	Number of Units	Demographic Multipliers		Total		Annual Expenditures		Total Annual Expenditures		
		Household	Students	Residents	Students	Per Capita Municipal	Per Pupil Per School District	Municipal	School District	Total
Studio	89	1.000	0.000	89.00	0.00	\$1,153.91	\$3,005.00	\$102,697.99	\$0.00	\$102,697.99
1 - Bedroom	115	1.421	0.000	163.42	0.00	\$1,153.91	\$3,005.00	\$188,566.20	\$0.00	\$188,566.20
2 - Bedroom	31	2.012	0.032	62.37	0.99	\$1,153.91	\$3,005.00	\$71,971.67	\$2,980.96	\$74,952.63
3 - Bedroom	5	2.798	0.038	13.99	0.19	\$1,153.91	\$3,005.00	\$16,143.20	\$570.95	\$16,714.15
TOTAL	240			314.79	0.99			\$363,235.87	\$2,980.96	\$366,216.83

1. Total Municipal Ratables	\$5,795,484,581	4. Fiscal Year 2013 Budget	\$500,097,007	6. Population of Jersey City (2010 Census)	247,597	9. Increase in Services Incurred Per Development	\$ 366,216.83
2. Residential Ratables	\$3,310,951,465			7. Per Capita Municipal Cost	\$1,153.91	10. Anticipated Gross PILOT	
Commercial Ratables	\$1,374,936,492					10% Annual Gross	\$ 518,507.00
						County (5%)	\$ 25,925.35
						Admin (2%)	\$ 10,370.14
3. Residential Ratables as a Percentage of Total Ratables	57.13%	5. Residential Portion	\$285,704,654	8. Annual Expenditures Per Student	\$3,005.00	Less Land (74.34)	\$ (55,740.13)
						Total	\$ 499,062.36
						11. Implied Surplus (Cost)	\$ 132,845.53

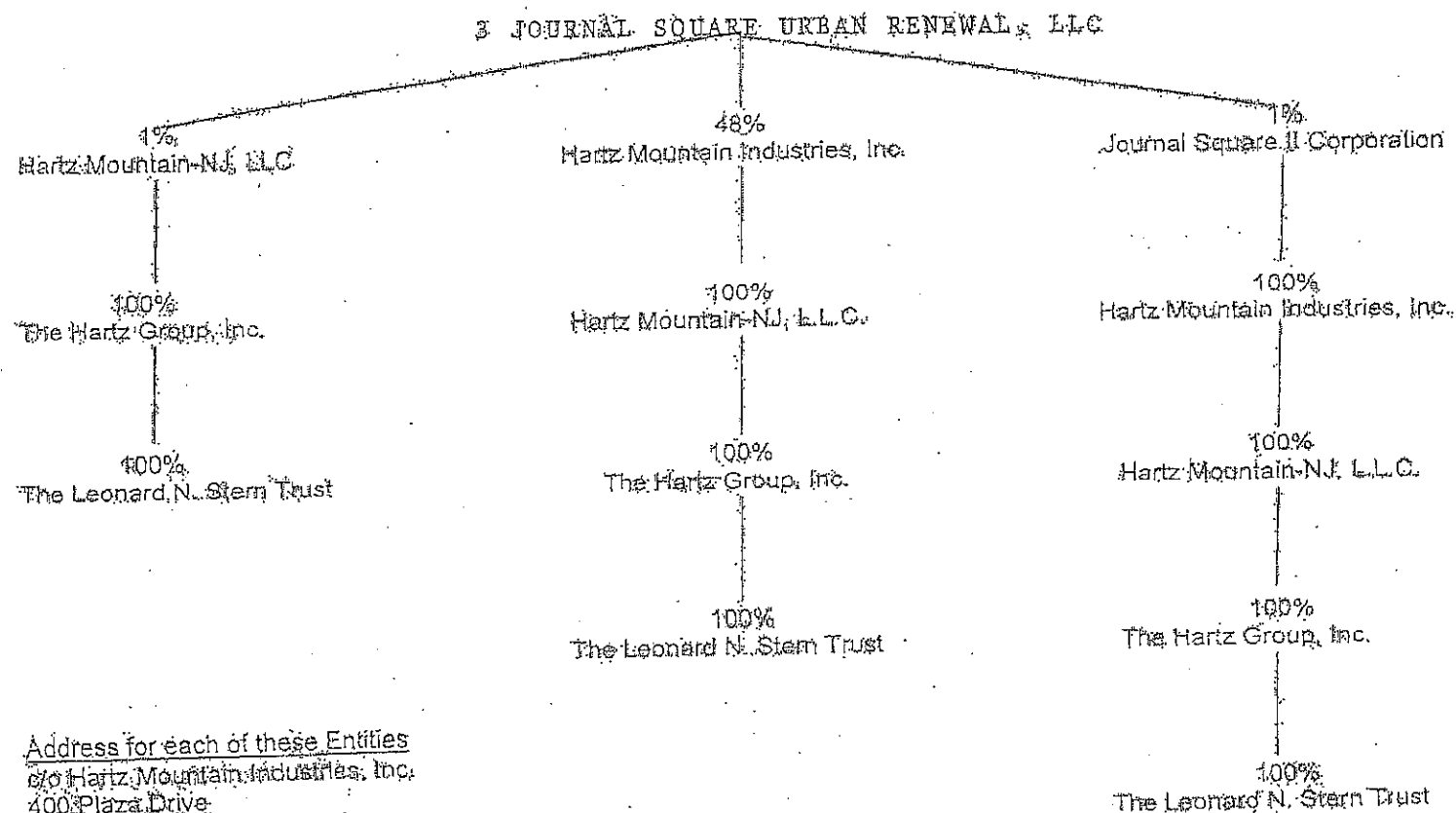
Classic Average costing approach for projecting the impact of population change and local Municipal and School District costs.



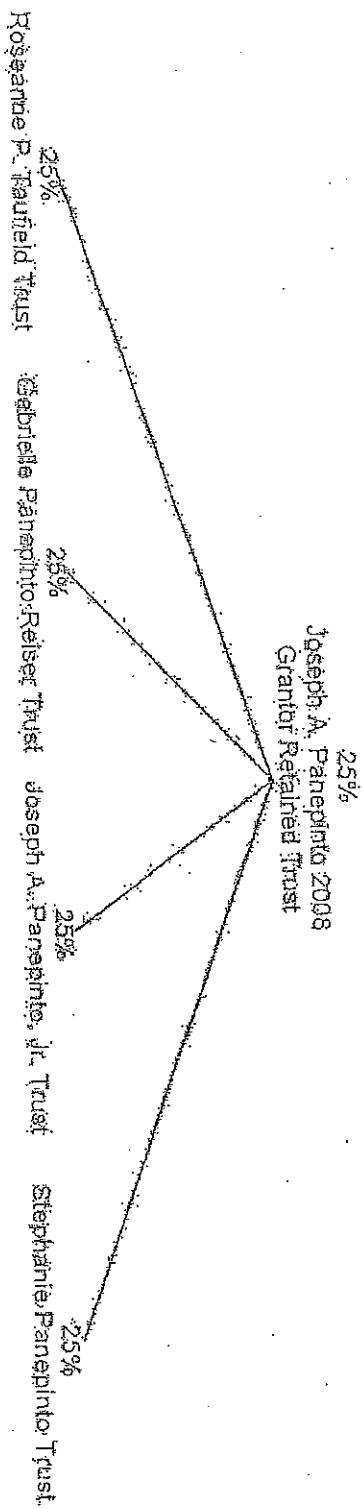
1 See Attachment Page 1

2 See Attachment Page 2

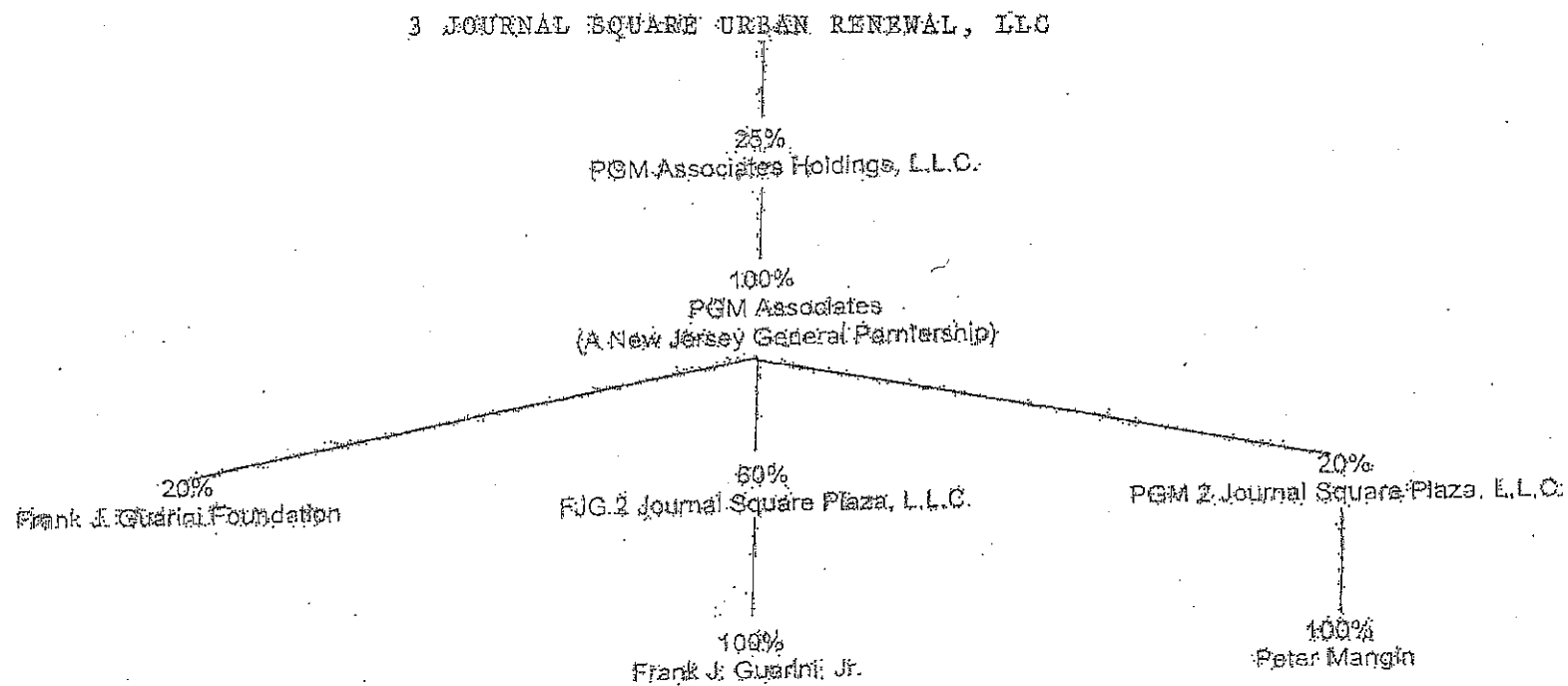
3 See Attachment Page 3



3 JOURNAL SQUARE URBAN RENEWAL, LLC



Address for each of these entities
Hartbriar Plaza 10
3 Second Street
Jersey City, New Jersey 07311



Address for each of these Entities
c/o Garden State Development, Inc.
30 Montgomery Street
Jersey City, New Jersey 07302

EXHIBIT B-1

DESCRIPTION OF RESIDENTIAL LEASES
GOOD FAITH ESTIMATE OF INITIAL RENTS

- | | |
|---|---|
| 1. Name of Tenant | Various |
| 2. Term of Lease | No less than 12 months |
| 3. Number of Apartments | Studios - 89
One Bedrooms - 115
Two Bedrooms - 31
Three Bedrooms - 5

Total: 240 |
| 4. Annual Rent per Apartment | Studios - \$19,056
One Bedrooms - \$21,696
Two Bedrooms - \$25,260
Three Bedrooms - \$29,616 |
| 5. Total Annual Rent | \$ 5,122,805 |
| 6. Premium Paid Directly by Tenant Annually | |
| a. Fire & Other Insurance | N/A |
| b. Real Estate Taxes & Assessments on property in project | N/A |
| c. Operating & maintenance expenses ordinarily paid by tenant | N/A |
| 7. Renewal Option (Yes/No) | |
| a. Number of years | One |
| b. Renewal Rent | Market Increases |
| 8. Special Features (step-up rents, etc.) | |
| None | |

[illegible]

Department/Program	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100																																																																																																				
Administrative Services	100000	105000	110000	115000	120000	125000	130000	135000	140000	145000	150000	155000	160000	165000	170000	175000	180000	185000	190000	195000	200000	205000	210000	215000	220000	225000	230000	235000	240000	245000	250000	255000	260000	265000	270000	275000	280000	285000	290000	295000	300000	305000	310000	315000	320000	325000	330000	335000	340000	345000	350000	355000	360000	365000	370000	375000	380000	385000	390000	395000	400000	405000	410000	415000	420000	425000	430000	435000	440000	445000	450000	455000	460000	465000	470000	475000	480000	485000	490000	495000	500000	505000	510000	515000	520000	525000	530000	535000	540000	545000	550000	555000	560000	565000	570000	575000	580000	585000	590000	595000	600000	605000	610000	615000	620000	625000	630000	635000	640000	645000	650000	655000	660000	665000	670000	675000	680000	685000	690000	695000	700000	705000	710000	715000	720000	725000	730000	735000	740000	745000	750000	755000	760000	765000	770000	775000	780000	785000	790000	795000	800000	805000	810000	815000	820000	825000	830000	835000	840000	845000	850000	855000	860000	865000	870000	875000	880000	885000	890000	895000	900000	905000	910000	915000	920000	925000	930000	935000	940000	945000	950000	955000	960000	965000	970000	975000	980000	985000	990000	995000	1000000
Information Technology	50000	55000	60000	65000	70000	75000	80000	85000	90000	95000	100000	105000	110000	115000	120000	125000	130000	135000	140000	145000	150000	155000	160000	165000	170000	175000	180000	185000	190000	195000	200000	205000	210000	215000	220000	225000	230000	235000	240000	245000	250000	255000	260000	265000	270000	275000	280000	285000	290000	295000	300000	305000	310000	315000	320000	325000	330000	335000	340000	345000	350000	355000	360000	365000	370000	375000	380000	385000	390000	395000	400000	405000	410000	415000	420000	425000	430000	435000	440000	445000	450000	455000	460000	465000	470000	475000	480000	485000	490000																																																																																												
Public Safety	150000	155000	160000	165000	170000	175000	180000	185000	190000	195000	200000	205000	210000	215000	220000	225000	230000	235000	240000	245000	250000	255000	260000	265000	270000	275000	280000	285000	290000	295000	300000	305000	310000	315000	320000	325000	330000	335000	340000	345000	350000	355000	360000	365000	370000	375000	380000	385000	390000	395000	400000	405000	410000	415000	420000	425000	430000	435000	440000	445000	450000	455000	460000	465000	470000	475000	480000	485000	490000	495000	500000	505000	510000	515000	520000	525000	530000	535000	540000	545000	550000	555000	560000	565000	570000	575000	580000	585000	590000	595000	600000	605000	610000	615000	620000	625000	630000	635000	640000	645000	650000	655000	660000	665000	670000	675000	680000	685000	690000	695000	700000	705000	710000	715000	720000	725000	730000	735000	740000	745000	750000	755000	760000	765000	770000	775000	780000	785000	790000	795000	800000	805000	810000	815000	820000	825000	830000	835000	840000	845000	850000	855000	860000	865000	870000	875000	880000	885000	890000	895000	900000	905000	910000	915000	920000	925000	930000	935000	940000	945000	950000	955000	960000	965000	970000	975000	980000	985000	990000	995000	1000000										
Health Services	200000	205000	210000	215000	220000	225000	230000	235000	240000	245000	250000	255000	260000	265000	270000	275000	280000	285000	290000	295000	300000	305000	310000	315000	320000	325000	330000	335000	340000	345000	350000	355000	360000	365000	370000	375000	380000	385000	390000	395000	400000	405000	410000	415000	420000	425000	430000	435000	440000	445000	450000	455000	460000	465000	470000	475000	480000	485000	490000	495000	500000	505000	510000	515000	520000	525000	530000	535000	540000	545000	550000	555000	560000	565000	570000	575000	580000	585000	590000	595000	600000	605000	610000	615000	620000	625000	630000	635000	640000	645000	650000	655000	660000	665000	670000	675000	680000	685000	690000	695000	700000	705000	710000	715000	720000	725000	730000	735000	740000	745000	750000	755000	760000	765000	770000	775000	780000	785000	790000	795000	800000	805000	810000	815000	820000	825000	830000	835000	840000	845000	850000	855000	860000	865000	870000	875000	880000	885000	890000	895000	900000	905000	910000	915000	920000	925000	930000	935000	940000	945000	950000	955000	960000	965000	970000	975000	980000	985000	990000	995000	1000000																				
Education	300000	305000	310000	315000	320000	325000	330000	335000	340000	345000	350000	355000	360000	365000	370000	375000	380000	385000	390000	395000	400000	405000	410000	415000	420000	425000	430000	435000	440000	445000	450000	455000	460000	465000	470000	475000	480000	485000	490000	495000	500000	505000	510000	515000	520000	525000	530000	535000	540000	545000	550000	555000	560000	565000	570000	575000	580000	585000	590000	595000	600000	605000	610000	615000	620000	625000	630000	635000	640000	645000	650000	655000	660000	665000	670000	675000	680000	685000	690000	695000	700000	705000	710000	715000	720000	725000	730000	735000	740000	745000	750000	755000	760000	765000	770000	775000	780000	785000	790000	795000	800000	805000	810000	815000	820000	825000	830000	835000	840000	845000	850000	855000	860000	865000	870000	875000	880000	885000	890000	895000	900000	905000	910000	915000	920000	925000	930000	935000	940000	945000	950000	955000	960000	965000	970000	975000	980000	985000	990000	995000	1000000																																								
Public Works	120000	125000	130000	135000	140000	145000	150000	155000	160000	165000	170000	175000	180000	185000	190000	195000	200000	205000	210000	215000	220000	225000	230000	235000	240000	245000	250000	255000	260000	265000	270000	275000	280000	285000	290000	295000	300000	305000	310000	315000	320000	325000	330000	335000	340000	345000	350000	355000	360000	365000	370000	375000	380000	385000	390000	395000	400000	405000	410000	415000	420000	425000	430000	435000	440000	445000	450000	455000	460000	465000	470000	475000	480000	485000	490000	495000	500000	505000	510000	515000	520000	525000	530000	535000	540000	545000	550000	555000	560000	565000	570000	575000	580000	585000	590000	595000	600000	605000	610000	615000	620000	625000	630000	635000	640000	645000	650000	655000	660000	665000	670000	675000	680000	685000	690000	695000	700000	705000	710000	715000	720000	725000	730000	735000	740000	745000	750000	755000	760000	765000	770000	775000	780000	785000	790000	795000	800000	805000	810000	815000	820000	825000	830000	835000	840000	845000	850000	855000	860000	865000	870000	875000	880000	885000	890000	895000	900000	905000	910000	915000	920000	925000	930000	935000	940000	945000	950000	955000	960000	965000	970000	975000	980000	985000	990000	995000	1000000				
Arts & Culture	80000	85000	90000	95000	100000	105000	110000	115000	120000	125000	130000	135000	140000	145000	150000	155000	160000	165000	170000	175000	180000	185000	190000	195000	200000	205000	210000	215000	220000	225000	230000	235000	240000	245000	250000	255000	260000	265000	270000	275000	280000	285000	290000	295000	300000	305000	310000	315000	320000	325000	330000	335000	340000	345000	350000	355000	360000	365000	370000	375000	380000	385000	390000	395000	400000	405000	410000	415000	420000	425000	430000	435000	440000	445000	450000	455000	460000	465000	470000	475000	480000	485000	490000	495000	500000	505000	510000	515000	520000	525000	530000	535000	540000	545000	550000	555000	560000	565000	570000	575000	580000	585000	590000	595000	600000	605000	610000	615000	620000	625000	630000	635000	640000	645000	650000	655000	660000	665000	670000	675000	680000	685000	690000	695000	700000	705000	710000	715000	720000	725000	730000	735000																																																	

[illegible]

EXHIBIT B-3

PROJECTED ANNUAL GROSS REVENUE COMPUTATION

- | | | |
|----|---|----------------|
| 1. | Total Annual Gross Rental | ** (see below) |
| 2. | Real Estate Taxes and/or Assessment on Property * | \$ None |
| 3. | Insurance Premiums * | \$ None |
| 4. | Operating, maintenance or Repair Expense * | \$ None |

* N.J.S.A. 40A:20-3(A) provides that "if in any leasing, any real estate taxes or assessments on property included in the project, any premiums for fire or other insurance on or concerning property included in the project or any operating or maintenance expenses ordinarily paid by a landlord are to be paid by the tenant, then such payments shall be computed and be deemed part of the rent and shall be included in the annual gross revenue".

** Total Annual Gross Rental

Commercial	
Retail - 2,400 SF @ \$ 15	\$ 36,000
Apartments:	
Studios	\$ 1,696,118
One-bedrooms	\$ 2,495,500
Two-bedrooms	\$ 783,138
Three-bedrooms	\$ 148,050
Miscellaneous Income - Pet Fees, Amenity Fees, Storage, Late Fees	
	\$ 282,400
Vacancy Adjustment 95%	(\$ 256,140)
Annual Gross Revenue	\$ 5,185,065

5. Annual Payment in Lieu of Taxes: 10% of \$ 5,185,065 = \$ 518,507 / \$2,160 per unit.

EXHIBIT C

ESTIMATED TOTAL PROJECT COST

a.	Land value:	\$ 8,400,000
b.	Architects, engineers and attorneys fees:	\$ 2,640,000
c.	Surveying and testing charges:	\$ 75,000
d.	Actual construction cost as certified by the architect, including site preparation:	\$ 55,367,836
e.	Insurance, interest and finance costs during construction:	\$ 2,441,065
f.	Cost of obtaining initial permanent financing:	\$ 250,000
g.	Commissions and other expenses payable in connection with initial lease of units:	\$ 474,000
h.	Real estate taxes and assessments during construction period:	\$ 100,000
i.	Developer's overhead (5% of actual construction costs set forth in 40:A20-3(h), as amended):	\$ 2,768,392
	TOTAL:	\$ 72,516,293

EXHIBIT C-1

3 JOURNAL SQUARE URBAN RENEWAL, LLC

Certification of Estimated Construction Costs

On this 5th day of March 2014, the undersigned being the architect for the Project to be developed by 3 Journal Square Urban Renewal, LLC, does hereby certify to the best of my knowledge and belief that Exhibit C accurately reflects the estimated actual construction costs of the Project proposed on Block 9403, Lot 15, more commonly referred to as 2 Journal Square, Jersey City, New Jersey.

Witnessed:

By: Carol Fee

CAROL FEE
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Dec. 29, 2015

By: [Signature]
Name: Michael Higgins, AIA

Title: Architect

SERVICE CHARGE VS CONVENTIONAL - JOURNAL SQ 3

*ASSUMING 74.34 TAX RATE WITH 2% ANNUAL INCREASE

NEW ASSESSMENTS BASED ON TAX ASSESSOR ANALYSIS

LAND 749,800 COUNTY 5%
 BLDG 10,455,800 ADMIN 2%
 TOTAL 11,205,600

YEAR	Annual Service Charge w/ Phase-In	County (5%)	Admin (2%)	Conventional Taxes (2% Annual Increase)	Step Up Rate	% of Conv.	Conventional Taxes at 51%
1	518,507	25,925	10,370	833,024			424,842
2	518,507	25,925	10,370	849,685			433,339
3	518,507	25,925	10,370	866,678			442,006
4	518,507	25,925	10,370	884,012			450,846
5	518,507	25,925	10,370	901,692			459,863
6	518,507	25,925	10,370	919,726			469,060
7	518,507	25,925	10,370	938,121	20%	187,624	478,442
8	518,507	25,925	10,370	956,883	20%	191,377	488,010
9	518,507	25,925	10,370	976,021	20%	195,204	497,771
10	518,507	25,925	10,370	995,541	40%	398,216	507,726
11	518,507	25,925	10,370	1,015,452	40%	406,181	517,881
12	518,507	25,925	10,370	1,035,761	40%	414,304	528,238
13	633,886	31,694	12,678	1,056,476	60%	633,886	538,803
14	646,563	32,328	12,931	1,077,606	60%	646,563	549,579
15	879,326	43,966	17,587	1,099,158	80%	879,326	560,571
16	896,913	44,846	17,938	1,121,141	80%	896,913	571,782
17	914,851	45,743	18,297	1,143,564	80%	914,851	583,218
18	933,148	46,657	18,663	1,166,435	80%	933,148	594,882
19	951,811	47,591	19,036	1,189,764	80%	951,811	606,780
20	970,847	48,542	19,417	1,213,559	80%	970,847	618,915
21	990,264	49,513	19,805	1,237,830	80%	990,264	631,293
22	1,010,070	50,503	20,201	1,262,587	80%	1,010,070	643,919
23	1,030,271	51,514	20,605	1,287,839	80%	1,030,271	656,798
24	1,050,876	52,544	21,018	1,313,595	80%	1,050,876	669,934
25	1,071,894	53,595	21,438	1,339,867	80%	1,071,894	683,332
26	1,093,332	54,667	21,867	1,366,665	80%	1,093,332	696,999
27	1,115,198	55,760	22,304	1,393,998	80%	1,115,198	710,939
28	1,137,502	56,875	22,750	1,421,878	80%	1,137,502	725,158
29	1,160,252	58,013	23,205	1,450,315	80%	1,160,252	739,661
30	1,183,457	59,173	23,669	1,479,322	80%	1,183,457	754,454

ASC phase-in reflects annual 2% increase in conventional taxes

3 Journal Square URBAN RENEWAL ASSOCIATES, LLC
 BLOCK 9403 Lot 15 QL: C0002
 2955 Kennedy Blvd.

Block	Lot	QL:		Existing Assessments	New Assessments	Good Faith Annual Revenue	Land Tax (Conventional)	Assessment Adj. to Exemption
9403	15	C0002	Land	-	749,800			
			Bldg		11,236,800	5,185,065		11,236,800
			Total	-	11,986,600	5,185,065		11,236,800

**In-Lieu of Full Property Tax Payments An Amount Equal To A
 A Percentage Of Taxes Otherwise Due On The Land and
 New Improvement According To The Following Stages:**

		ASC	Annual Taxes* (Phase-In)		
Stage One	From the 1st day of the month following substantial completion until the last day of the 15th year, the ASC shall be at 10% of Annual Revenue	\$ 518,507	\$ 55,740		0
Stage Two	Beginning on the 1st day of the 16th year and the last day of the 21st year of substantial completion, an amount equal to the greater of the ASC at 10% or 20% of the amount of taxes otherwise due on the value of the land and improvements;	\$ 518,507	\$ 55,740	\$ 178,217	
Stage Three	Beginning on the 1st day of the 22nd year and the last day of the 27th year of substantial completion, an amount equal to the greater of the ASC at 10% or 40% of the amount of taxes otherwise due on the value of the land and improvements;	\$ 518,507	\$ 55,740	\$ 356,434	
Stage Four	Beginning on the 1st day of the 28th year and the last day of the 29th year of substantial completion, an amount equal to the greater of the ASC at 10% or 60% of the amount of taxes otherwise due on the value of the land and improvements;	\$ 518,507	\$ 55,740	\$ 534,650	

Final Stage Beginning on the 1st day of the 30th year and the last day of the
30th year of substantial completion, an amount equal to the greater
of the ASC at 10% or 80% of the amount of taxes otherwise
due on the value of the land and improvements.

\$ 518,507 \$ 55,980 \$ 712,867

Yearly Land and Improvement Yearly Tax \$ 891,084

* Based on \$74.34 Tax Rate

EXHIBIT F

3 JOURNAL SQUARE URBAN RENEWAL, LLC

Disclosure Statement

NAME OF ENTITY: 3 Journal Square Urban Renewal, LLC
400 Plaza Drive
P.O. Box 1515
Secaucus, New Jersey 07096-1515

LOCATION OF PROJECT: Block 9403, Lot 15
2 Journal Square
Jersey City, New Jersey 07306

PRINCIPAL PLACE OF BUSINESS: 400 Plaza Drive
P.O. Box 1515
Secaucus, New Jersey 07096-1515

NAME OF REGISTERED AGENT: Irwin A. Horowitz

ADDRESS: 400 Plaza Drive
P.O. Box 1515
Secaucus, New Jersey 07096-1515

NAME	ADDRESS	PERCENT OWNED
------	---------	---------------

SEE ATTACHED (4 PAGES)

I CERTIFY THAT, THE FOREGOING LIST REPRESENTS THE NAMES OF ALL MEMBERS OWNING A 10% OR GREATER INTEREST IN THE ABOVE ENTITY (IF ONE OR MORE OF THE ABOVE NAMED IS ITSELF AN ENTITY, THE APPLICANT HAS PROVIDED THE NAMES OF ANY ENTITY OWNING A 10% OR GREATER INTEREST THEREIN)

I FURTHER CERTIFY THAT NO OFFICER OR EMPLOYEE OF THE CITY OF JERSEY CITY HAS ANY INTEREST, DIRECT OR INDIRECT, IN THIS ENTITY.

I CERTIFY THAT THE FOREGOING STATEMENTS MADE BY ME ARE TRUE. I AM AWARE THAT IF ANY OF THE FOREGOING STATEMENTS MADE BY ME ARE WILLFULLY FALSE, I AM SUBJECT TO PUNISHMENT.

Dated: March 7, 2013

3 Journal Square Urban Renewal, LLC

By: _____

Allen J. Magrini

Re: 2 Journal Square
Approximately 3.039 Acres
Block 9403, Lot 15
Journal Square 2060 Redevelopment Plan

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] is made the _____ day of __, 2014, by and between **3 JOURNAL SQUARE URBAN RENEWAL, LLC**, an urban renewal entity formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., having its principal office at 400 Plaza Drive, P.O. Box 1515, Secaucus, NJ 07096-1515 [Entity], and the **CITY OF JERSEY CITY**, a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

RECITALS

WITNESSETH:

WHEREAS, the Entity is the Contract Purchaser of certain property designated as a portion of Block 9403, Lot 15, more commonly known by the street address of a portion of 2 Journal Square, Condominium Unit 2, Jersey City, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

WHEREAS, upon recordation of a Master Deed, an intangible subdivision will be created as Block 9403, Lot 15, C.3002, to be known as Condo Unit 2, which will consist of the air rights above 2 Journal Square, together with a maximum percentage of the limited common elements (excluding land taxes) of 41%; and

WHEREAS, Condo Unit 2 shall not receive a land tax credit for its share of any common elements or limited common elements, but upon recordation of the Master Deed, Condo Unit 2 shall receive a credit for land taxes assessed against Block 9403, Lot 15, C.3002; and

WHEREAS, this property is located within the boundaries of the Journal Square 2060 Redevelopment Plan Area; and

WHEREAS, by an application amended on September 26, 2014, the Entity applied for a 30 Year long term tax exemption to construct a mixed use residential rental project within Condo Unit 2, to consist of a thirteen (13) story building (on top of the existing parking deck) to contain approximately two hundred forty (240) market rate residential rental units and approximately two thousand four hundred (2,400) square feet of mixed commercial and residential uses on the ground level [Project]; and

WHEREAS, on December 4, 2012, the Project received site plan approval from the Planning Board; and

WHEREAS, by the adoption of Ordinance _____ on _____, 2014, the Municipal Council approved a long term tax exemption for the Project and authorized the execution of a Financial Agreement; and

WHEREAS, the City made the following findings:

A. Relative Benefits of the Project when compared to the costs:

1. there are no current real estate taxes assessed on the proposed air rights area over the existing parking garage, and therefore, the air rights area generates \$0 revenue, whereas, the Annual Service Charge as initially estimated, will generate revenue to the City of approximately \$518,507;
2. as required by ordinance 13-088, the Entity shall pay the City the sum of \$121,200 on or before the effective date of the ordinance approving the Financial Agreement, and will pay the balance of \$242,400 as an affordable housing contribution as required by the ordinance;
3. pay the sum of \$1,143,000 as an Additional Service Charge upon execution of the Financial Agreement;
4. it is expected that the Project will create approximately over 400 new construction jobs and approximately 12 new permanent full time jobs;
5. the project should stabilize and contribute to the economic growth of existing local business and to the creation of new businesses, which cater to the new occupants;
6. the Project will further the objectives of the Journal Square 2060 Redevelopment Plan, and will include the development of vacant property;
7. the City's Impact Analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

B. Assessment of the Importance of the Tax Exemption in obtaining development of the project and influencing the locational decisions of probable occupants:

1. the relative stability and predictability of the annual service charges will make the Project more attractive to investors and lenders needed to finance the Project; and
2. the relative stability and predictability of the service charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract occupants to the Project, insure the likelihood of stabilized rents to tenants and the success of the Project; and
3. have a positive impact on the surrounding area.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

ARTICLE I - GENERAL PROVISIONS

Section 1.1 Governing Law

This Agreement shall be governed by the provisions of the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., Executive Order of the Mayor 2013-004, Disclosure of Lobbyist Status, Ordinance 02-075, and Ordinance _____, which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

Section 1.2 General Definitions

Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement, the following terms shall have the following meanings:

- i. Allowable Net Profit- The amount arrived at by applying the Allowable Profit Rate to Total Project Cost pursuant to N.J.S.A. 40A:20-3(c).
- ii. Allowable Profit Rate - The greater of 12% or the percentage per annum arrived at by adding 1.25% to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per

annum basis, shall be considered as interest for this purpose. If there is no permanent mortgage financing, or if the financing is internal or undertaken by a related party, the Allowable Profit Rate shall be the greater of 12% or the percentage per annum arrived at by adding 1.25% per annum to the interest rate per annum which the municipality determines to be the prevailing rate on mortgage financing on comparable improvements in Hudson County. The provisions of N.J.S.A. 40A:20-3(b) are incorporated herein by reference.

iii. Annual Service Charge - The amount the Entity has agreed to pay the City each year for municipal services supplied to the Project, which sum is in lieu of any taxes on the Improvements, pursuant to N.J.S.A. 40A:20-12. It shall include a payment for all annual excess profit.

iv. Additional Service Charge - The amount agreed to be paid by the Entity to the City to resolve and settle any and all amounts in dispute, and alleged to be owed by PHM Urban Renewal Associates, LLC [PHM], a prior owner of Lot 15, to the City for the years from 2002 through the transfer of Lot 15 by PHM in 2011. This amount resolves and settles any and all amounts alleged to be due by PHM during this time period (2002-2011), including but not limited to any taxes, administrative fees, excess profits, or other unknown fees or charges. Such funds are non-refundable and non-transferrable in the event of a termination or expiration of the Financial Agreement.

v. Auditor's Report - A complete annual financial statement outlining the financial status of the Project, which shall also include a certification of Total Project Cost and clear computation of the annual Net Profit. The contents of the Auditor's Report shall have been prepared in conformity with generally accepted accounting principles and shall contain at a minimum the following: a balance sheet, a statement of income, a statement of retained earnings or changes in stockholders' equity, a statement of cash flows, descriptions of accounting policies, notes to financial statements and appropriate schedules and explanatory material results of operations, cash flows and any other items required by Law. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

vi. Certificate of Occupancy - A document, whether temporary or permanent, issued by the City authorizing occupancy of a building, in whole or in part, pursuant to N.J.S.A.

vii. Debt Service - The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other financing including returns on institutional equity financing and market rate related party debt for the project for a period equal to the term of this agreement.

viii. Default - Shall be a breach of or the failure of the Entity to perform any obligation imposed upon the Entity by the terms of this Agreement, or under the Law, beyond any applicable grace or cure periods.

ix. Entity - The term Entity within this Agreement shall mean 3 Journal Square Urban Renewal, LLC, which Entity is formed and qualified pursuant to N.J.S.A. 40A:20-5. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under the Law.

x. Improvements or Project - Any building, structure or fixture permanently affixed to the land and to be constructed and tax exempted under this Agreement.

xi. In Rem Tax Foreclosure or Tax Foreclosure - A summary proceeding by which the City may enforce a lien for taxes due and owing by tax sale, under N.J.S.A. 54:5-1 to 54:5-129 et seq.

xii. Land Taxes - The amount of taxes assessed on the value of land, on which the project is located and, if applicable, taxes on any pre-existing improvements. Land Taxes are not exempt; however, Land Taxes are applied as a credit against the Annual Service Charge. However, the Entity shall not receive a credit for land taxes paid as part of its 41% share of common elements, but shall receive a credit for land taxes paid for Block 9403, Lot 15, C.3002 to be created upon recordation of a Master Deed.

xiii. Land Tax Payments - Payments made on the quarterly due dates, including approved grace periods if any, for Land Taxes as determined by the Tax Assessor and the Tax Collector.

xiv. Law - Law shall refer to the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1, et seq.; Executive Order of the Mayor 13-088, relating to long term tax exemption, as it may be supplemented; Ordinance 02-075 requiring Disclosure of Lobbyist Status and Ordinance _____, which authorized the execution of this Agreement and

all other relevant Federal, State or City statutes, ordinances, resolutions, rules and regulations.

xv. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be the greater of: (a) the amount of the total taxes levied against all real property in the area covered by the Project in the last full tax year in which the area was subject to taxation, in this case, the new land assessment for the air rights area is to be set at \$749,800, which is projected to generate \$55,748 per year, and which the parties agree to be the Minimum Annual Service Charge; or (b) the sum of \$518,507 per year, which sum is equal to the initially estimated Service Charge, will be due 12 months following Substantial Completion of the Project.

xvi. Net Profit - The Annual Gross Revenues of the Entity less all annual operating and non-operating expenses of the Entity, all determined in accordance with generally accepted accounting principles, but:

(1) there shall be included in expenses: (a) all Annual Service charges paid pursuant to N.J.S.A. 40A:20-12; (b) all annual payments to the City of excess profits pursuant to N.J.S.A. 40A:20-15 or N.J.S.A. 40A:20-16; (c) an annual amount sufficient to amortize (utilizing the straight line method-equal annual amounts) the Total Project Cost and all capital costs determined in accordance with generally accepted accounting principles, of any other entity whose revenue is included in the computation of excess profits over the term of this agreement; (d) all reasonable annual operating expenses of the Entity and any other entity whose revenue is included in the computation of excess profits including the cost of all management fees, brokerage commissions, insurance premiums, all taxes or service charges paid, legal, accounting, or other professional service fees, utilities, building maintenance costs, building and office supplies and payments into repair or maintenance reserve accounts; (e) all payments of rent including but not limited to ground rent by the Entity; (f) all debt service; and

(2) there shall not be included in expenses either depreciation or obsolescence, interest on debt, except interest which is part of debt service, income taxes or salaries, bonuses or other compensation paid, directly or indirectly to directors, officers and stockholders of the entity, or officers, partners or other persons holding a proprietary ownership interest in the entity.

xvii. Pronouns - He or it shall mean the masculine, feminine or neuter gender, the singular, as well as the plural, as context requires.

xviii. Substantial Completion or Substantially Complete - The determination by the City

that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the first date on which the Project receives, or is eligible to receive, any Certificate of Occupancy whether temporary or permanent for any portion of the Project.

xix. Termination - Any act or omission which by operation of the terms of this Financial Agreement shall cause the Entity to relinquish its tax exemption.

xx. Total Project Cost - The total cost of constructing the Project through the date a Certificate(s) of Occupancy is issued for the entire Project, which categories of cost are set forth in N.J.S.A. 40A:20-3(h). There shall be included from Total Project Cost the actual costs incurred by the Entity and certified by an independent and qualified architect or engineer, which are associated with site remediation and cleanup of environmentally hazardous materials or contaminants in accordance with State or Federal law and any extraordinary costs incurred including the cost of demolishing structures, relocation or removal of public utilities, cost of relocating displaced residents or buildings and the clearing of title. If the Service Charge is a percentage of Total Project Cost, then the Entity agrees that final Total Project Cost shall not be less than its estimated Total Project Cost.

ARTICLE II - APPROVAL

Section 2.1 Approval of Tax Exemption

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block 9403, Lot 15, more commonly known by the street address of a portion of 2 Journal Square, Condominium Unit 2, Jersey City, and described by metes and bounds in Exhibit 1 attached hereto.

Section 2.2 Approval of Entity

Approval is granted to the Entity whose Certificate of Formation is attached hereto as Exhibit 4. Entity represents that its Certificate contains all the requisite provisions of the Law; has been reviewed and approved by the Commissioner of the Department of Community Affairs; and has been filed with, as appropriate, the Office of the State Treasurer or Office of the Hudson County Clerk, all in accordance with N.J.S.A. 40A:20-5.

Section 2.3 Improvements to be Constructed

Entity represents that it will construct a mixed use residential rental project within Condo Unit 2, to consist of a thirteen (13) story building on (top of the existing parking deck) to contain approximately two hundred forty (240) market rate residential rental units and approximately two thousand four hundred (2,400) square feet of mixed commercial and residential uses on the ground level; all of which is specifically described in the Application attached hereto as Exhibit 3.

Section 2.4 Construction Schedule

The Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the Estimated Construction Schedule, attached hereto as Exhibit 5, and in compliance with any Redevelopment Agreement.

Section 2.5 Ownership, Management and Control

The Entity represents that it is the Contract Purchaser of the property upon which the Project is to be constructed. Upon construction, the Entity represents that the Improvements will be used, managed and controlled for the purposes set forth in this Agreement and any Redevelopment Agreement.

Section 2.6 Financial Plan

The Entity represents that the Improvements shall be financed in accordance with the Financial Plan attached hereto as Exhibit 6. The Plan sets forth a good faith estimate of Total Project Cost, the amortization rate on the Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid-in capital, and the terms of any mortgage amortization.

Section 2.7 Good Faith Estimate of Initial Sale Prices or Rents

The Entity represents that its good faith projections of the initial sale price or rents and other revenue to the Project are set forth in Exhibit 7.

ARTICLE III - DURATION OF AGREEMENT

Section 3.1 Term

So long as there is compliance with the Law and this Agreement, it is understood and agreed by the parties hereto that this Agreement shall remain in effect for the earlier of 35 years from the date of the adoption of Ordinance _____ on _____, 2014, which approved the tax

exemption or 30 years from the original date of Substantial Completion of the Project or ____20____. The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Project is owned by a corporation or association formed and operating under the Law.

ARTICLE IV - ANNUAL SERVICE CHARGE

Section 4.1 Annual Service Charge

In consideration of the tax exemption, the Entity shall make the following annual payments to the City for services provided to the Project:

i. City Service Charge: an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge equal to 10% of the Annual Gross Revenue, which sum is initially estimated to be \$518,507. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.

ii. County Service Charge: an amount equal to 5% of the Municipal Annual Service Charge, which sum is estimated to be \$25,925, shall be paid to the City and remitted by the City to the County.

iii. Additional Service Charge: the Entity will pay the sum of \$1,143,000 as an Additional Service Charge, payable upon execution of the Financial Agreement.

iv. The Minimum Annual Service Charge pursuant to Section 1.2xv(a) shall be due beginning on the effective date of this Agreement. The Minimum Annual Service Charge pursuant to Section 1.2xv(b), the City Service Charge and the County Annual Service Charge shall be due on the first day of the month following the Substantial Completion of the Project. In the event the Entity fails to timely pay the Minimum Annual Service Charge or the Annual Service Charge, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

Section 4.2 Staged Adjustments

The Annual Service Charge shall be adjusted, in Stages over the term of the tax exemption in accordance with N.J.S.A. 40A:20-12(b) as follows:

i. Stage One: From the 1st day of the month following Substantial Completion until the last day of the 9th year, the Annual Service Charge shall be 10% of Annual Gross Revenue;

ii. Stage Two: Beginning on the 1st day of the 10th year following Substantial Completion until the last day of the 13th year, an amount equal to the greater of the Annual Service Charge or 20% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iii. Stage Three: Beginning on the 1st day of the 14th year following the Substantial Completion until the last day of the 17th year, an amount equal to the greater of the Annual Service Charge or 40% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iv. Stage Four: Beginning on the 1st day of the 18th year following Substantial Completion until the last day of the 21st year, an amount equal to the greater of the Annual Service Charge or 60% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

v. Final Stage: Beginning on the 1st day of the 22nd year following Substantial Completion through the date the tax exemption expires, an amount equal to the greater of the Annual Service Charge or 80% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

Section 4.3 Land Tax

A. The Entity is required to pay both the Annual Service Charge and the Land Tax Payments. The Entity is obligated to make timely Land Tax Payments, including any tax on the pre-existing improvements, in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. The Entity shall be entitled to credit for the amount, without interest, of the Land Tax Payments made in the last four preceding quarterly installments against the Annual Service Charge. In any quarter that the Entity fails to make any Land Tax Payments when due and owing, such delinquency shall render the Entity ineligible for any Land Tax Payment credit against the Annual Service Charge. No credit will be applied against the Annual Service Charge for a partial payment of Land Taxes. In no event shall the Entity take a credit for land tax paid based on its 41% of the limited or common elements that are part of the existing improvements on Lot 15 (the office building and parking deck). The credit shall only pertain to land taxes assessed to and paid on Block 9403, Lot 15, C.3002, which annual amount

is estimated to be \$55,748. In addition, the City shall have, among this remedy and other remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement.

B. The Entity shall not apply, in whole or in part, either the current or future land assessment and the taxes, any land the tax assessor attributes to Condominium Unit 1, or any of the common and limited common elements that are part of the existing parking deck, as a credit towards the payment of any Annual Service Charge due for this Project, Unit 2.

Section 4.4 Quarterly Installments / Interest

The Entity expressly agrees that the Annual Service Charge shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. In the event that the Entity fails to pay the Annual Service Charge or any other charge due under this agreement, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid in full.

Section 4.5 Administrative Fee

The Entity shall also pay an annual Administrative Fee to the City in addition to the Annual Service Charge and Land Tax levy. The Administrative Fee shall be calculated as half of one (0.5%) percent of each prior year's Annual Service Charge, which sum is estimated to be \$2,593. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge.

Section 4.6 Affordable Housing Contribution and Remedies

A. **Contribution.** The Entity will pay the City the sum of \$363,600 or [\$1,500 per unit or \$1.50 per square foot of commercial space] as a contribution. This payment is nonrefundable and nontransferrable and shall be forfeited should either party terminate the tax exemption prior to the end of the herein term. The sum shall be due and payable as follows:

- i. 1/3 on or before the effective adoption date of the Ordinance approving the tax exemption;
- ii. 1/3 on or before the issuance of the first of any construction permit for the Project, but no later than six months after the date of the Financial Agreement; and

- iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Financial Agreement.

Section 4.7 Material Conditions

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including Annual Net Profits and any adjustments thereto, Administrative Fees, Affordable Housing Contributions, and any interest thereon, are Material Conditions of this Agreement.

ARTICLE V - PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

Section 5.1 Project Employment and Contracting Agreement

In order to provide City residents and businesses with certain employment and other economic related opportunities, the Entity is subject to the terms and conditions of the Project Employment and Contracting Agreement, attached hereto as Exhibit 8.

Section 5.2 Project Labor Agreement

The Entity shall execute a Project Labor Agreement as required by Section 304-33 of the Jersey City Municipal Code as it exists or as it may be amended from time to time.

Section 5.3 Living Wage Mandate

The Entity also agrees to comply with the requirements of Section 3-76 of the Jersey City Municipal Code concerning required wage, benefit and leave standards for building service workers. All janitors and unarmed security guards employed at the Projects, including by any and all tenants or subtenants of the developer, shall not be paid less than the standard hourly rate of pay and benefits for their respective classifications and shall be provided with paid leave in accordance with the provisions of the Jersey City Municipal Code Section 3-51G(1).

ARTICLE VI - CERTIFICATE OF OCCUPANCY

Section 6.1 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a timely manner so as to complete construction in accordance with the proposed construction schedule attached hereto as Exhibit 5. The failure to secure the Certificates of Occupancy shall subject the Property to full taxation for the period between the

date of Substantial Completion and the date the Certificate of Occupancy is obtained.

Section 6.2 Filing of Certificate of Occupancy

It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not militate against any action or non-action, taken by the City, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

Section 6.3 Construction Permits

The estimated construction cost basis disclosed by the Entity's application and proposed Financial Agreement may, at the option of the City, be used as the basis for the construction cost in the issuance of any construction permit for the Project.

ARTICLE VII - ANNUAL REPORTS

Section 7.1 Accounting System

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles.

Section 7.2 Periodic Reports

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis that the Agreement shall continue in effect, the Entity shall submit to the Mayor and Municipal Council and the NJ Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall include, but not be limited to gross revenue, and the terms and interest rate on any mortgage(s) associated with the purchase or construction of the Project and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Law and this Agreement. The Report shall clearly identify and calculate the Net Profit for the Entity during the previous year, the excess of which shall be paid to the City each year an excess profit is generated.

B. Total Project Cost Audit: Within ninety (90) days after Substantial Completion of the Project, the Entity shall submit to the Mayor, Municipal Council, the Tax Collector and the City

Clerk, who shall advise those municipal officials required to be advised, an audit of Total Project Cost, including but not limited to an audit of actual construction costs as certified by the Project architect.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, and each and every year thereafter while this agreement is in effect, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, a Disclosure Statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the City may request from time to time. All disclosures shall include ownership interests of the individual persons owning any corporate interest in the Entity.

Section 7.3 Inspection/Audit

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project and, if deemed appropriate or necessary, any other related Entity by representatives duly authorized by the City or the NJ Division of Local Government Services in the Department of Community Affairs. It shall also permit, upon request, examination and audit of its books, contracts, records, documents and papers. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of an officer or agent designated by the Entity for any year during which the tax exemption financial agreement was in full force and effect.

All costs incurred by the City to conduct a review of the Entity's audits, including reasonable attorneys' fees if appropriate, shall be billed to the Entity and paid to the City as part of the Entity's Annual Service Charge. Delinquent payments shall accrue interest at the same rate as for a delinquent service charge.

ARTICLE VIII- LIMITATION OF PROFITS AND RESERVES

Section 8.1 Limitation of Profits and Reserves

During the period of tax exemption as provided herein, the Entity shall be subject to a limitation of its profits pursuant to the provisions of N.J.S.A. 40A:20-15.

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount equal to five (5%) percent of the Gross Revenue of

the Entity for the last full fiscal year preceding the year and may retain such part of the Excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in N.J.S.A. 40A:20-15. The reserve is to be non-cumulative, it being intended that no further credits thereto shall be permitted after the reserve shall have attained the allowable level of five (5%) percent of the preceding year's Gross Revenue.

Section 8.2 Annual Payment of Excess Net Profit

In the event the Net Profits of the Entity, in any year, exceeds the Allowable Net Profits for such year, then the Entity, within one hundred and twenty (120) days after the end of the year, shall pay such excess Net Profits to the City as an additional annual service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 8.1. The calculation of the Entity's Excess Net Profits shall include those project costs directly attributable to site remediation and cleanup expenses and any other costs excluded in the definition of Total Project Cost in Section 1.2 (xx) of this Agreement even though those costs may have been deducted from the project costs for purposes of calculating the annual service charge.

Section 8.3 Payment of Reserve/ Excess Net Profit Upon Termination, Expiration or Sale

The date of termination, expiration or sale shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the City the amount of the reserve, if any, maintained by it pursuant to this section and the balance of the Excess Net Profit, if any.

ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION

Section 9.1 Approval of Sale

Any sale or transfer of the Project, shall be void unless approved in advance by Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to long term tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the

Entity's obligations under this Agreement are fully assumed by the new Entity; 5) the Entity pays in full the maximum transfer fee, 2% of the Annual Service Charge, as permitted by N.J.S.A. 40A:20-10(d); and 6) as to projects that are not Substantially Complete, the Entity is comprised of principals possessing substantially the same or better financial qualifications and credit worthiness as the Entity.

Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10%, is disclosed to the City in the annual disclosure statement or in correspondence sent to the City in advance of the filing of the annual disclosure statement.

Section 9.2 Transfer Application Fee

Where the consent or approval of the City is sought for approval of a change in ownership or sale or transfer of the Project, the Entity shall be required to pay to the City a new tax exemption application fee for the legal and administrative services of the City, as it relates to the review, preparation and/or submission of documents to the Municipal Council for appropriate action on the requested assignment. The fee shall be non-refundable.

ARTICLE X - COMPLIANCE

Section 10.1 Operation

During the term of this Agreement, the Project shall be maintained and operated in accordance with the provisions of the Law. Operation of Project under this Agreement shall not only be terminable as provided by N.J.S.A. 40A:20-1, et seq., as amended and supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

Section 10.2 Disclosure of Lobbyist Representative

During the term of this Agreement, the Entity must comply with Executive Order 2002-005, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status. The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

ARTICLE XI - DEFAULT

Section 11.1 Default

Default shall be failure of the Entity to conform with the terms of this Agreement or failure of the Entity to perform any obligation imposed by the Law, beyond any applicable notice, cure or grace period.

Section 11.2 Cure Upon Default

Should the Entity be in Default, the City shall send written notice to the Entity of the Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have sixty (60) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable diligence, the City will extend the time to cure.

Subsequent to such sixty (60) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default due to a failure to pay any charges defined as Material Conditions in Section 4.7, or a sale of the Project occurs without the consent of the City, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

Section 11.3 Remedies Upon Default

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. In order to secure the full and timely payment of the Annual Service Charge, the City on its own behalf, or on behalf of the Trustee, reserves the right to prosecute an In Rem Tax Foreclosure action against the Project Area in accordance with Applicable Law, as more fully set forth in this Financial Agreement.

In addition, the City may declare a Default and terminate this Agreement. Any default arising out of the Entity's failure to pay Land Taxes, the Minimum Annual Service Charge, Administrative Fees, Affordable Housing Contribution, or the Annual Service Charges shall not be subject to the default procedural remedies as provided herein, but shall allow the City to proceed immediately to terminate the Agreement as provided herein. All of the remedies

provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, Affordable Housing Contribution or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, Affordable Housing Contribution, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the tax exemption or proceed with a tax sale or Tax Foreclosure action or any other specified remedy.

In the event of a Default on the part of the Entity to pay any charges set forth in Article IV, the City among its other remedies, reserves the right to proceed against the Entity's land and property, in the manner provided by the In Rem Foreclosure Act, and any act supplementary or amendatory thereof. Whenever the word taxes appear, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the charges were taxes or municipal liens on land.

ARTICLE XII- TERMINATION

Section 12.1 Termination Upon Default of the Entity

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 11.2, the City may terminate this Agreement upon thirty (30) days written notice to the Entity [Notice of Termination].

Section 12.2 Voluntary Termination by the Entity

The Entity may notify the City that it will relinquish its status as a tax exempt Project, after the expiration of one year from the Substantial Completion of the Project, as of the January 1st of the year next ensuing. The Notice of Voluntary Termination must be received by the City no later than October 1st of the tax year preceding the calendar year in which the termination is to occur. As of the date so set, the tax exemption, the Annual Service Charges and the profit and

dividend restrictions shall terminate. However, under no circumstances will the Entity be entitled to any refund, in whole or in part, of any funds paid to the City to obtain the tax exemption, including but not limited to the Affordable Housing Contribution. In addition, the due date for all Affordable Housing Contribution and any other fees that the Entity agreed to pay under this Agreement, shall be accelerated so that all fees to be paid shall be due on January 1st as a condition precedent of the voluntary termination.

Section 12.3 Final Accounting

Within ninety (90) days after the date of termination, whether by affirmative action of the Entity or by virtue of the provisions of the Law or pursuant to the terms of this Agreement, the Entity shall provide a final accounting and pay to the City the reserve, if any, pursuant to the provisions of N.J.S.A. 40A:20-13 and 15 as well as any remaining excess Net Profits. For purposes of rendering a final accounting the termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 12.4 Conventional Taxes

Upon Termination or expiration of this Agreement, the tax exemption for the Project shall expire and the land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the City.

ARTICLE XIII - DISPUTE RESOLUTION

Section 13.1 Arbitration

In the event of a breach of the within Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court of New Jersey by an appropriate proceeding, to settle and resolve the dispute in such fashion as will tend to accomplish the purposes of the Law. In the event the Superior Court shall not entertain jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Long Term Tax Exemption Law. The cost for the arbitration shall be borne by the Entity. The parties agree that the Entity may not file an action in Superior Court or with the Arbitration Association unless the

Entity has first paid in full all charges defined in Section 4.7 as Material Conditions.

Section 13.2 Appeal of Assessment

In calculating the amount of the Staged Adjustments that is, taxes otherwise due, pursuant to Section 4.2 and N.J.S.A. 40A:20-12, either party may file an appeal of the conventional assessment to determine the value of land and improvements for the Project, which is Unit 2, and to be identified as Lot C.3002. Both parties acknowledge that the land and improvements assessment, and value of the existing land and improvements identified currently as Lot 15, and to be identified as Unit 1 in the Master Deed, are separate and apart from this Project and abatement, and accordingly, any appeal by either party as to Unit 1 will not have an effect on the amounts due on the Project, Lot C.3002.

ARTICLE XIV - WAIVER

Section 14.1 Waiver

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City of any rights and remedies, including, without limitation, the right to terminate the Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit the City's right to audit or recover any amount which the City has under law, in equity, or under any provision of this Agreement.

ARTICLE XV - INDEMNIFICATION

Section 15.1 Defined

It is understood and agreed that in the event the City shall be named as party defendant in any action by a third party alleging any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of N.J.S.A. 40A:20-1 et seq., the Entity shall indemnify and hold the City harmless against any and all liability, loss, cost, expense (including reasonable attorneys' fees and costs), arising out of this Agreement. In addition, the Entity expressly waives all statutory or common law defenses or legal principles which would defeat the purposes of this indemnification. The Entity also agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the City.

ARTICLE XVI- NOTICE

Section 16.1 Certified Mail

Any notice required hereunder to be sent by either party to the other shall be sent by certified or registered mail, return receipt requested.

Section 16.2 Sent by City

When sent by the City to the Entity the notice shall be addressed to:

3 Journal Square Urban Renewal, LLC
400 Plaza Drive
P.O. Box 1515
Secaucus, NJ 07096-1515
Attn:

and

Connell Foley, LLP
Harborside Financial Center
2510 Plaza Five
Jersey City, NJ 07311
Att: Charles Harington, Esq.

unless prior to giving of notice the Entity shall have notified the City in writing otherwise.

In addition, provided the City is sent a formal written notice in accordance with this Agreement, of the name and address of Entity's Mortgagee, the City agrees to provide such Mortgagee with a copy of any notice required to be sent to the Entity.

Section 16.3 Sent by Entity

When sent by the Entity to the City, it shall be addressed to:

City of Jersey City, Office of the City Clerk
City Hall
280 Grove Street
Jersey City, New Jersey 07302,

with copies sent to the Corporation Counsel, the Business Administrator, and the Tax Collector unless prior to the giving of notice, the City shall have notified the Entity otherwise. The notice to the City shall identify the Project to which it relates, (i.e., the Urban Renewal Entity and the Property's Block and Lot number).

ARTICLE XVII-SEVERABILITY

Section 17.1 Severability

If any term, covenant or condition of this Agreement or the Application, except a Material Condition, shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

If a Material Condition shall be judicially declared to be invalid or unenforceable and provided the Entity is not in Default of this Agreement, the parties shall cooperate with each other to take the actions reasonably required to restore the Agreement in a manner contemplated by the parties and the Law. This shall include, but not be limited to the authorization and re-execution of this Agreement in a form reasonably drafted to effectuate the original intent of the parties and the Law. However, the City shall not be required to restore the Agreement if it would modify a Material Condition, the amount of the periodic adjustments or any other term of this Agreement which would result in any economic reduction or loss to the City.

ARTICLE XVIII - MISCELLANEOUS

Section 18.1 Construction

This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the City have combined in their review and approval of same.

Section 18.2 Conflicts

The parties agree that in the event of a conflict between the Application and the language contained in the Agreement, the Agreement shall govern and prevail. In the event of conflict between the Agreement and the Law, the Law shall govern and prevail.

Section 18.3 Oral Representations

There have been no oral representations made by either of the parties hereto which are not contained in this Agreement. This Agreement, the Ordinance authorizing the Agreement, and the Application constitute the entire Agreement between the parties and there shall be no modifications thereto other than by a written instrument approved and executed by both parties

and delivered to each party.

Section 18.4 Entire Document

This Agreement and all conditions in the Ordinance of the Municipal Council approving this Agreement are incorporated in this Agreement and made a part hereof.

Section 18.5 Good Faith

In their dealings with each other, utmost good faith is required from the Entity and the City.

ARTICLE XIX - EXHIBITS

Section 19 Exhibits

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

1. Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Certificate of the Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Good Faith Estimate of Initial Rents;
8. Project Employment and Contracting Agreement;
9. Architect's Certification of Actual Construction Costs.
10. Entity's Deed.

IN WITNESS WHEREOF, the parties have caused these presents to be executed the day and year first above written.

WITNESS:

3 JOURNAL SQUARE URBAN RENEWAL, LLC

ATTEST:

CITY OF JERSEY CITY

ROBERT BYRNE
CITY CLERK

ROBERT J. KAKOLESKI
BUSINESS ADMINISTRATOR

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ____ day of ____, 2014, between the **CITY OF JERSEY CITY** [City] having its principal office at 280 Grove Street, Jersey City, NJ 07302, and **3 JOURNAL SQUARE URBAN RENEWAL, LLC** [Recipient], having its principal office at 400 Plaza Drive, P.O. Box 1515, Secaucus, NJ 07096-1515.

I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into an agreement with the City to implement, in whole or in part, this agreement.
2. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
3. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
4. "Economic Incentive" means a tax abatement or tax exemption for a property or project which requires approval of the Municipal Council
5. "Employment" includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
6. Jersey City Employment and Training Corporation or "JCEPT" means the non-profit quasi public Entity with whom the City has an operating agreement to undertake certain employment services.
7. "Local Business" means a bona fide business located in Jersey City.
8. "Minority" means a person who is defined as such under federal or state law.
9. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.

10. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor and Workforce Development, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.
11. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
12. "Project or Project Site" means the specific work location or locations specified in the contract.
13. The "Project Employment & Contracting Coordinator" or "Coordinator" is the employee in the Department of Administration presently, the Executive Director of the Jersey City Employment & Training Program, Inc., who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Coordinator. The Coordinator may refer a developer to the JCEPT or its one-stop career center so long as the City and JCEPT agreement is in full force and effect.
14. The "Project Employment & Contracting Monitor" or "Monitor" is the employee in the Department of Administration who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting administration as stipulated by this agreement.
15. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.
16. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.
17. "The Registry" or "Jersey City Employment Registry" means a data base maintained by the City or its designee, of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
18. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
19. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
20. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose: Business Contracting and Permanent Jobs

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

Because this project is subject to the terms of a Project Labor Agreement during construction, this agreement shall apply only to Business Contracting and non-construction Permanent Jobs.

III. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient shall only be required to submit the periodic certified manning and certified payroll reports described below to confirm ongoing compliance. All other Recipients must comply with the following Good Faith goals.

1. **Employment:** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.
2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

IV. Recipient Designee:

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient shall send a letter designating its "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any

preconstruction meetings. An example of this letter can be found in Appendix 1. This Officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix 2.

V. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance _____, approving the tax exemption and terminate the earlier of 35 years from the date of the adoption of that Ordinance or 30 years from the date of Substantial Completion of the Project.

VI. Good Faith Defined:

1. **Permanent Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will meet with the Coordinator, including the director of JCETP to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

- i) whether subcontractors will be used in the hiring process.
- ii) the specific types of jobs that need to be filled.
- iii) the qualifications needed for these particular jobs.
- iv) possible training programs offered by the permanent employer.
- v) the Recipient's goals and how it plans to meet these goals.
- vi) any other issues which need to be addressed.

B. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix 3.

C. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 1.A.(i)-(vi) and notify the City.

- D. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors.
- E. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix 4.
- F. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- G. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- H. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- I. Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
- J. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- K. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.

- L. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- M. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

2. **Business Contracting**

- A. Good Faith shall mean compliance with all of the following conditions:

- i) Solicitation of Businesses:

- a) One month before the solicitation for any goods or services, the Recipient must forward a letter with a description of the goods or services to the Project Employment and Contracting Coordinator;
- b) The Recipient shall provide the City with a written Purchasing Report every month. The form of this report shall be in substantially the form found in Appendix 6.
- c) Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- d) Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- e) Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- f) Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement)

was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.

- g) Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
 - h) Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
 - i) Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
 - j) Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.
- B. The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by Project Employment and Contracting Monitor of a Recipient, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

3. **Commercial Tenants at the Project Site**

Good Faith shall mean compliance with all of the following conditions:

- A. The Recipient shall send all tenants of commercial space, including retail space, within the Project Site a Tenant Employment Services Guide in the form attached as Appendix 7.
- B. The Recipient shall require tenants of commercial, including any retail space to complete an annual questionnaire concerning the composition of the work force of each tenant. The completed questionnaire be submitted to the Project Employment & Contracting Monitor. The questionnaire shall be in the form attached as Appendix 8.
- C. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than December 1st of each year.

VII. **Notices of Violation:**

1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have 7 days to correct the violation.
2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City the City shall issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation.
3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.
4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

If the City determines that the Recipient is in violation after the expiration of the cure periods, the Recipient agrees that the City shall be entitled to the liquidated damages provided below.

VIII. Liquidated Damages:

1. While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any cure period, the City will be entitled to liquidated damages from the Recipient in the following amounts:
 - A. Failure to conduct Pre-hiring Interviews or submit Compliance Statement (Submit description of goods or services, (Business Contracting): an amount equal to Three (3%) percent of the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
 - B. Failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Three (3%) percent increase service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
 - C. The use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Ten (10%) service charge as set

forth in the Financial Agreement for each quarter or part thereof, the Recipient is non compliant.

IX. Notices

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

3 Journal Square Urban Renewal, LLC
400 Plaza Drive
P.O. Box 1515
Secaucus, NJ 07096-1515
Att:

and

2. When sent by the Recipient to the City, it shall be addressed to:

City of Jersey City
Department of Administration
Division of Economic Opportunity
Project Employment & Contracting Monitor
280 Grove Street
Jersey City, New Jersey 07302
Att: Division Director

and

Director of Jersey City Employment and Training Program, Inc
895 Bergen Avenue—2nd Floor
Jersey City, NJ 07306
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

X. Appendix

These forms are examples only and shall be in substantially the form attached, subject to modifications from time to time by the City as necessary or appropriate.

1. Letter designating Recipient's Project Employment & Contracting Officer
2. Letter from Recipient to Employees of Recipient's Company
3. Acknowledgment of PECA compliance of Subcontractor
4. Example of Hiring Plan
5. Example of Monthly Employment Report
6. Example of Monthly Purchasing Report

7. Tenant Employment Services Guide
8. Commercial Retail Annual Questionnaire

XI. Adoption, Approval, Modification:

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

XII. Controlling Regulations and Laws:

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

In the event there are any conflicts between this Agreement and any Project Labor Agreement, then as it pertains to construction jobs covered by the PLA, the Project Labor Agreement shall govern. Wherever possible, this Agreement shall be interpreted consistently with the Project Labor Agreement.

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

**3 JOURNAL SQUARE URBAN
RENEWAL, LLC**

Secretary

President